2006 Canadian Energy Survey

Survey of 2005 Results

Table of Contents

Foreword

The 2006 PricewaterhouseCoopers Canadian Energy Survey provides an outlook of the Canadian Energy Industry and summarizes financial and operating information of the top 100 Canadian public oil and gas companies and 36 oil and gas income trusts, as presented in their respective annual reports to shareholders and unitholders for the fiscal years ended in 2005. This year's survey features a special update on the oil sands sector.

PricewaterhouseCoopers has been serving the energy industry for over 100 years and is the leading provider of business solutions to the global energy industry. This survey has been prepared by the Canadian Energy & Utilities Group, a specialty practice established to serve the unique requirements and needs of the energy industry. These professionals bring together the skills, resources and experience of the worldwide PricewaterhouseCoopers organization in servicing client needs around the globe.

All figures in the survey are in Canadian dollars unless otherwise stated. A summary of abbreviations used throughout the survey can be found in the Scope section.

To learn more about the services PricewaterhouseCoopers offers, please contact any of the industry experts listed at the back of the survey.

We hope that you find the 2006 Canadian Energy Survey to be a valuable resource.

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Crude Oil

Conventional

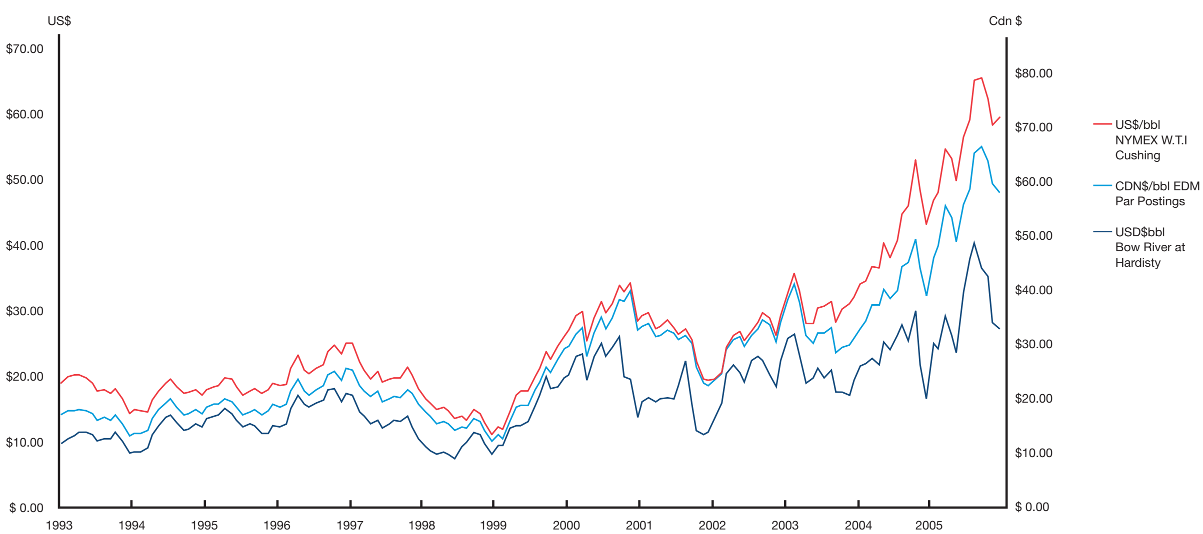
After a year of increasing prices in 2004, West Texas Intermediate ("WTI") reached impressive highs in 2005. Crude oil prices were extremely volatile in 2005, soaring from around U.S.$42 per barrel to a record high of U.S.$69.81 in August and falling back down to around U.S.$61 by late December. The major factors in the increases in crude prices came from increased demand from China and India as well as lower levels of crude supplies due to the shut-in production from the effects of hurricanes Katrina and Rita.

WTI at Cushing, Oklahoma ended the year significantly above the previous year's close. As at December 31, 2005, the closing price of WTI was U.S.$61.04/bbl, 40% higher than the prior year close of U.S.$43.45/bbl[1]. For the full year WTI averaged U.S.$56.59/bbl versus U.S.$41.40/bbl in 2004, an increase of 37%.

The increase in WTI positively impacted Canadian crude prices. Par prices for light sweet oil posted at Edmonton by the four Canadian refiners averaged $68.72/bbl for 2005, 31% higher than the 2004 average of $52.54/bbl, with the average monthly price peaking in August at $78.73/bbl.

During 2005, the spread between Canadian light and heavy oil prices increased. For the full year, Imperial's Bow River blend averaged $44.83/bbl, compared to $37.60/bbl in 2004, an increase of 19%. The average differential in 2005 increased by 60% to $23.90/bbl, up from $14.94/bbl in the previous year and reached an average monthly low of $15.82/bbl in July of 2005. Differentials increased over the course of 2005, consistent with the increase in oil prices, with the November 2005 differential averaging $30.31/bbl.

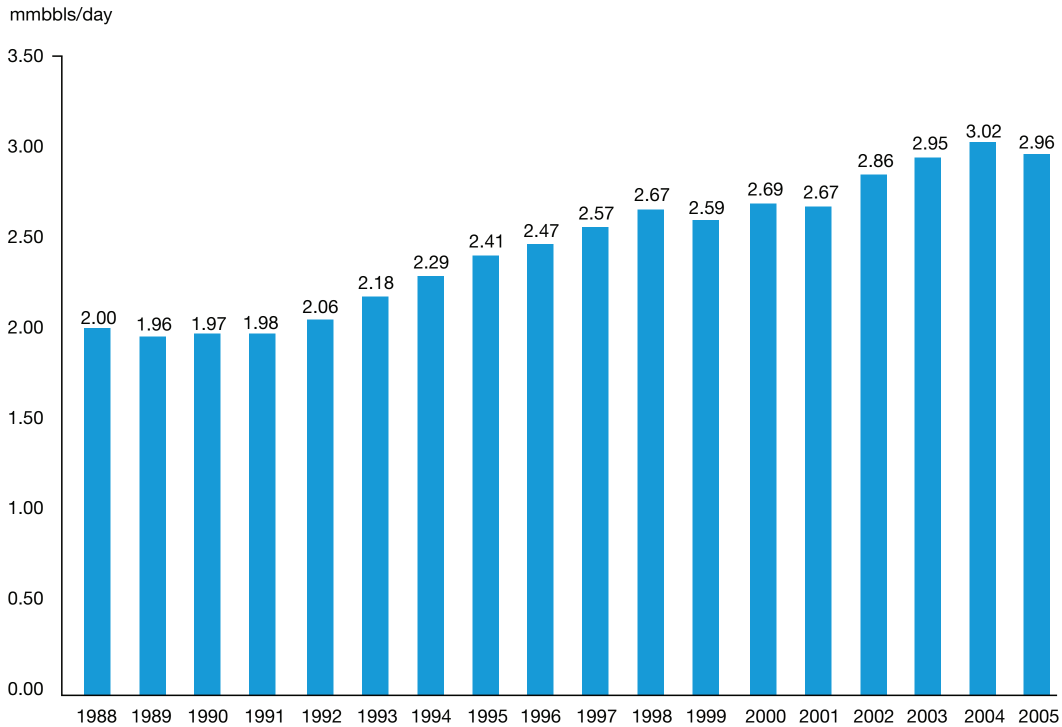
Crude Oil Prices



Source: Canadian Association of Petroleum Producers

1 Crude Oil prices sourced from CAPP Crude Oil Report, January 2006, Tables 2 and 4.

Liquids Production



Includes Conventional, Synthetic, Heavy Crudes and NGL's

Source: Canadian Association of Petroleum Producers

Canadian crude production, including conventional, synthetic crude, heavy crude and NGL's decreased in 2005, totalling 2.96 mmbbls/d, a 2% decrease from the 3.02 mmbbls/d posted in 2004. According to the Canadian Association of Petroleum Producers ("CAPP"), established conventional reserves in Canada totaled 4.4 billion barrels at the end of 2004 while established liquid hydrocarbon reserves (conventional plus synthetic crude, NGL's and bitumen) totalled 11.6 billion barrels, up slightly from 2003 levels of 4.3 bbbls and 11.5 bbbls respectively.

Natural Gas

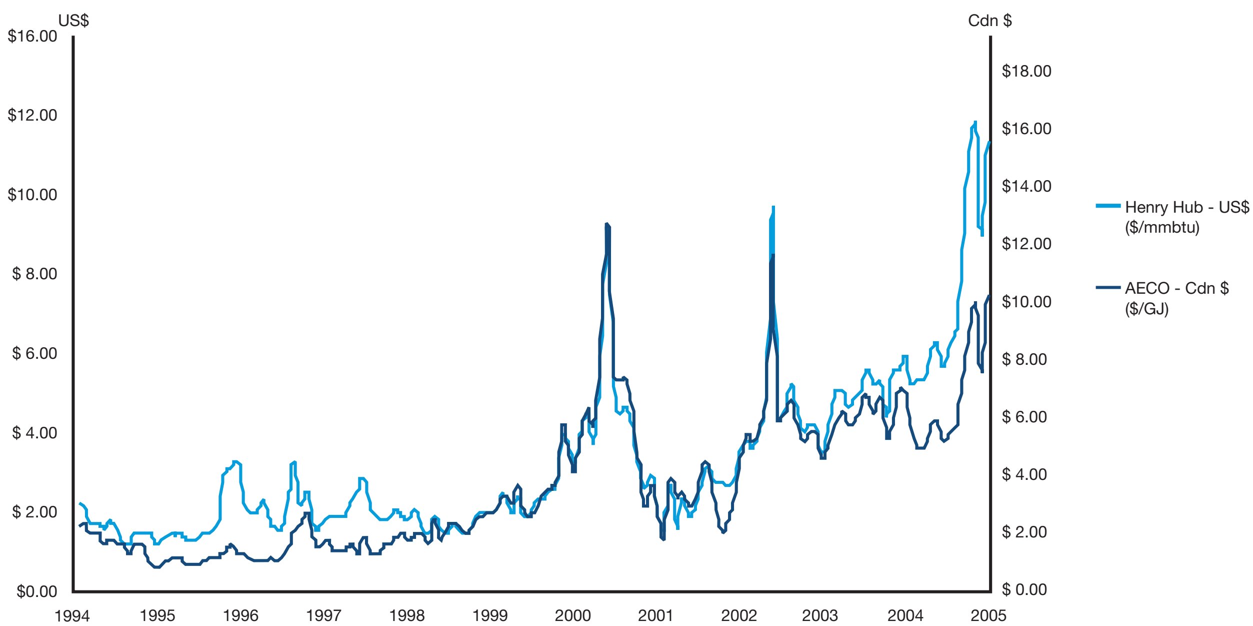
As was the case with crude oil prices, natural gas prices increased during 2005. This increase is due to heightened demand, shut-in production from the effects of hurricanes Katrina and Rita, high summer heat and movement of consumers from crude oil resources to natural gas. Average annual prices exceeded those seen in 2004 due to the high prices experienced at the end of 2005.

Alberta natural gas prices, as reported by AECO-C, averaged $8.48/mmbtu in 2005, 23% higher than the 2004 average of $6.88/mmbtu. Natural gas prices, as measured by NYMEX at Henry Hub, averaged U.S.$8.58/mmbtu in 2005 compared to U.S.$6.09/mmbtu in 2004, an increase of 41%. As at December 31, 2005, the closing price of AECO-C was $8.58/mmbtu; 45% higher than the 2004 closing price of $5.90/mmbtu. NYMEX Henry Hub finished 2005 at U.S.$9.52/mmbtu, 58% higher than the 2004 year end price of U.S.$6.01/mmbtu.

The basis differential between Alberta and U.S. prices widened to an average of U.S.$1.613/mmbtu in 2005, compared to U.S.$0.86/mmbtu in 2004.

Other 2005 U.S. dollar annual average prices per mmbtu (2004 in parentheses) at various delivery points were Kern (California) $7.08 ($5.56), Iroquois (Northeast) $9.74 ($7.12), Ventura (Chicago) $7.67 ($5.72), and Sumas (Washington) $7.18 ($5.25).

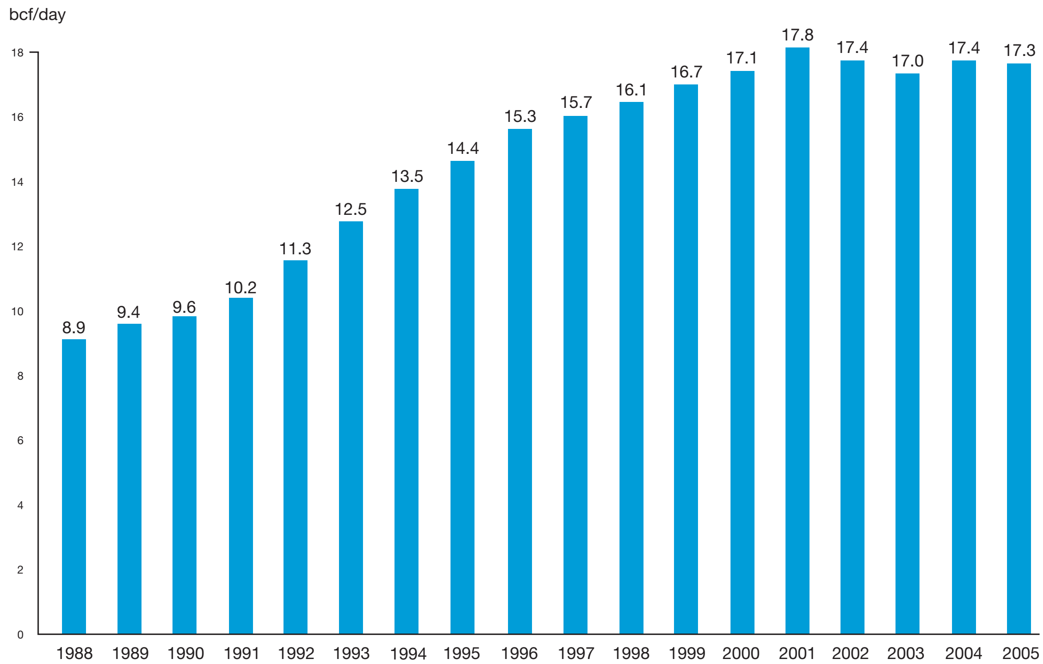
Natural Gas Prices



Source: Bloomberg

In 2005, Canada produced an average of 17.3 bcf/day, a decrease of 0.57% with 17.4 bcf/day produced in 2004. Estimated remaining established reserves of natural gas at the end of 2005, as reported by CAPP, decreased to 56.5 tcf from 56.6 tcf in 2004.

Natural Gas Production



Source: Canadian Association of Petroleum Producers

Natural gas prices peaked in Q4 of 2005 due to ongoing increased demand and reduced supply from shut in production due to hurricanes Katrina and Rita. As the natural gas offshore production in the U.S. Gulf of Mexico comes back online, it is expected that prices will return to their pre-hurricane levels. Market fundamentalists indicate continued strength at this level with continued increasing demand for natural gas power generation, rising decline rates from the maturing basins and lower initial productivity from newly drilled wills. Pricing so far in 2006 has settled back to pricing prior to the hurricanes, with NYMEX Henry Hub and AECO-C spot prices remaining constant with the pre-September 2005 averages.

Over the longer term, the gas supply in the Western Canadian Sedimentary Basin will continue to decline and new sources of natural gas are expected from coal bed methane projects, and frontier areas such as Alaska, the Mackenzie Delta/Beaufort Sea, the U.S. Rockies and offshore areas in Atlantic Canada and the U.S. Gulf. Production from these new sources is still several years away from reaching markets, due to accessibility issues. It is further expected that at current production levels, it will be very difficult to rebuild inventory surpluses. Crude supply continues to impact the natural gas pricing. As crude supply pricing continues to strengthen, it is expected that consumers will turn to natural gas as an alternative. Consequently, industry expectations are that the currently strong pricing environment will remain which will continue to enhance natural gas economics and stimulate increased capital investment and production.

Oil & Gas Services

2005 was again a strong year for the industry with a record 21,925 wells drilled in Western Canada. The prospects for oilfield services companies are greatly affected by the current and future pricing for energy commodities, which is in turn affected by the global economies, global events, and weather. Global uncertainties continue to fuel speculation about future supply and demand for energy.

These uncertainties, along with growing demand for energy as a result of economic growth, particularly in Asia, are expected to result in higher commodity prices. Fuelled by this and other factors, the industry saw demand for services increase for the third year in a row in 2005, and many believe that this momentum will continue into 2006.

Wells Drilled (on a completion basis) – In all, Canadian government regulators issued a record 30,916 permits in 2005 to drill wells, an 8% increase over the previous record set in 2004 of 28,630. Canadian well drilling completions saw a 1.5% increase from the record high levels in 2004. In Western Canada, oil well completions increased 9% from 2004 offsetting gas well completions which declined 2% from 2004 levels.

Drilling Contracts and Services – Oilfield activity in 2005 saw the average drilling rig utilization increase significantly in 2005 from 2004 (68% compared to 62% respectively) while the average number of drilling rigs increased to 736 from 701. Service rig activity also increased as the utilization rates remained the same at 72%; however, the number of service rigs rose dramatically to an average of 976 in 2005 from 903 in 2004.

Field Services – the higher level of drilling activity and completions has resulted in continued strong demand for services. Companies, such as those providing fracturing and simulation services, have seen increased demand and the trend is expected to continue with the number of wells drilled expected to hit another record in 2006.

Oil Sands

Since the commencement of oil sands operations in 1967 with production from Great Canadian Oil Sands Company (now Suncor) much has been written, discussed and published over the past several decades about the extent, importance and emergence of Alberta's oil sands deposits and the industry projects designed to tap this vast bituminous resource. The past year was no exception as the numbers were measured in millions, billions and even trillions.

The Resource

It was only a few years ago that the international oil and gas community accepted the estimates assembled by the Alberta Energy and Utilities Board. The AEUB presently estimates the initial volume-in-place to be 1.6 trillion barrels of bitumen resource. The ultimate volume-in-place is rated as 2.5 trillion barrels, of which 315 billion barrels is thought to be recoverable. Initial established reserves are given as 178 billion barrels, of which only 3% has been produced to date. These reserves would be sufficient for 250 years of domestic crude oil demand, at current rates.

Together with conventional oil reserves, this places Canada as second only to Saudi Arabia. Canada now has 15% of the world's proven oil reserves and elevates the oil sands to national, continental and international importance as a critical source to meet future escalating world demand.

One of the largest known hydrocarbon deposits in the world, the three regions of Northern Alberta associated with oil sands are Athabasca with 80% of the resource, Cold Lake with 12% and Peace River with 8%. Each saw increased activity in 2005.

Expected total daily production for 2005 from all operators will be very close to 1 million barrels, although a fire at one of the oil sands plants early in the year may affect the final numbers. Estimates for future production, based on 2005 current and planned projects, suggest that it could more than double by 2010 and reach 3 million barrels per day by 2015.

The Technologies

The oil sands are primarily quartz sand, clay and silt, with water, minor heavy metal minerals, and then the bitumen, which typically constitutes about 10-12%.

The bitumen, once extracted, is heavy and viscous and can be upgraded on site to become synthetic crude oil, acceptable as a refinery feedstock, or transported by pipeline in its tar-like state by blending with a diluent, such as condensate. It requires about one barrel of diluent to move two barrels of bitumen through a pipeline. One barrel of synthetic oil can be produced from about two tons of oil sands.

While early bitumen production was based on mining methods, it is now foreseen that over 80% of the oil sands will be recovered by in situ, or in place, methods, extracting the bitumen from deposits more than 75 meters below the surface overburden, the cut-off for effective surface mining operations.

In 2005 in situ production was achieved using two technologies. The most popular was Steam Assisted Gravity Drainage ("SAGD"), predominantly applied to those leases that produced from the McMurray formation. However, greater volumes were produced using the older Cyclic Steam Stimulation ("CSS"), known as "huff and puff", from the Bluesky and Clearwater formations in the Cold Lake and Peace River areas.

A third technology was introduced into the mix by a pilot project using Toe-to-Heel Air Injection ("THAI") to produce from the McMurray formation. This process utilizes combustion in the reservoir as the driving force to move the bitumen to a well bore, and is being pioneered by Petrobank Resources at its Whitesands lease.

Innovation is also occurring in the upgrading process as OPTI Canada and Nexen have combined their operations at Long Lake to lessen their dependence on natural gas as an energy source to raise steam for SAGD operations by utilizing a technology that will produce syngas from gasification of the bitumen.

Oil sands production is also achieved on several leases by conventional “cold” methods, more akin to traditional methods of heavy oil production.

The Projects

At the close of 2005 nearly 80 existing, planned or announced projects, involving some 33 different companies, defined the oil sands industry. According to Alberta Economic Development, by September 2005, oil sands projects alone accounted for almost 60% of the province’s annual major capital projects. Since industry inception, in excess of 2,000 lease agreements have been signed.

Many of the companies participating are involved in more than one area and/or project but, interestingly enough, only nine companies have taken joint venture partners, the majority preferring to retain 100% operator status, despite the enormous capital spend involved.

For many companies oil sands represent only a part of their asset portfolio, but for 25% of the companies it is the only asset, as these “pure play” oil sands companies compete against the majors.

In 2005 companies from Canada, China, France, Japan and the United States were active with the major producers being Shell, Suncor and Syncrude in mining; Canadian Natural Resources Limited (CNRL) and Imperial’s in situ CSS projects at Cold Lake; Shell’s CSS project in the Peace River; and the EnCana, Petro-Canada and Suncor SAGD projects. Japan Canada Oil Sands completed the 2005 list of producers. In the not too distant future ConocoPhillips, Husky, Nexen/OPTI and Total will bring producing projects on stream, suggesting radical changes in total production volumes.

Inventory of current and future oil sands projects (as of December 2005)

Operator	JV Partners	Location	Project	Status	Start-up
Athabasca Area					
CNRL		Horizon, Phase 1 Horizon, Phases 2 & 3 Horizon, Phases 4 & 5 Kirby	Mine with upgrader Mine with upgrader Mine with upgrader SAGD	Construction in progress Regulatory approval received Publicly discussed Application filed	2008 2010 & 2012 2015 & 2020
Connacher		Great Divide	SAGD	Awaiting regulatory approval	2007/8
ConocoPhillips	Total 50%	Surmont, Phases 1 to 4	SAGD	Regulatory approval received for all phases. Phase 1 in construction	2006
Devon Energy		Jackfish, Phase 1 Jackfish, Phase 2	SAGD SAGD	Construction in progress Awaiting regulatory approval	2007 2008
EnCana		Christina Lake Christina Lake Expansion Borealis	SAGD SAGD SAGD	Currently producing Application filed Publicly discussed	 2005 to 2015 2015
Husky		Sunrise	SAGD	Regulatory approval received	2008
Imperial Oil	ExxonMobil 30%	Kearl	Mine	Awaiting regulatory approval	2010
Japan Canada Oil Sands		Hangingstone, Pilot Hangingstone, Commercial	SAGD SAGD	Currently producing Publicly disclosed	 2007
MEG Energy	China National Offshore Oil Corp. 17%	Christina Lake, Phase 1 Christina Lake, Phase 2	SAGD SAGD	Construction in progress Application filed	2006
Nexen	OPTI Canada 50%	Long Lake, Phase 1 Long Lake, Phase 2 Upgrader Long Lake, Phases 2, 3 & 4	SAGD with upgrader SAGD with upgrader SAGD with upgrader	Construction in progress Regulatory approval received Regulatory application in progress	2007 2007 2008
Petrobank Resources		Whitesands, Pilot	THAI	Construction in progress	2006
Petro-Canada		MacKay River MacKay River Expansion Meadow Creek Lewis	SAGD SAGD SAGD SAGD	Currently producing Application filed Regulatory approval received Publicly disclosed	 2008

	UTS Energy 30% Teck Cominco 15%	Fort Hills	Mine with upgrader	Regulatory approval received	2011
Shell	Chevron 20% Western Oil Sands 20%	Muskeg River	Mine, extraction plant and upgrader	Currently producing	
		Muskeg River Expansion	Mine, extraction plant and upgrader	Application filed	2009
		Jackpine, Phase 1	Mine, extraction plant and upgrader	Regulatory approval received	2009
		Jackpine, Phase 2	Mine, extraction plant and upgrader	Publicly disclosed	2010-2015
Suncor		Steepbank and Millennium	Mine with upgrader	Currently producing	
		Millennium Expansion	Coker Unit Expansion	Regulatory approval received	2007
		Firebag, Phase 1	SAGD	Currently producing	
		Firebag, Phase 2	SAGD	Construction in progress	2006
		Voyageur	Mine with upgrader	Application filed	2010-2012
Syncrude	Syncrude Joint Venture Partners, see below†	North & Aurora	Mine with upgrader	Currently producing	
		Aurora, Phase 3	Mine with upgrader	Construction in progress	2006
		Aurora, Phases 4 & 5	Mine with upgrader	Regulatory approval received	2010 & 2015
Synenco	Sinopec 40%	Northern Lights, Phase 1	Mine with extraction plant	Regulatory submission in progress	2010
		Northern Lights, Phase 2	Mine with extraction plant	Regulatory submission in progress	2012
		Northern Lights, Upgrader	Offsite upgrader	Regulatory submission in progress	
Total	Enerplus 16%	Joslyn, Phase 1	SAGD	Currently producing	
		Joslyn, Phase 2	SAGD	Construction in progress	2006
		Joslyn, Phase 3	SAGD	Application filed	2008
		Joslyn, Mine Phase 1	Mine	Regulatory submission in progress	2011
		Joslyn, Mine Phase 2	Mine	Publicly disclosed	2014
Cold Lake Area					
BlackRock Ventures		Orion Hilda Lake, Phase 1	SAGD	Construction in progress	2007
		Orion Hilda Lake, Phase 2	SAGD	Regulatory approval received	2009
CNRL		Primrose/Wolf Lake	CSS	Currently producing	
		Primrose/Wolf Lake North Expansion	CSS	Construction in progress	2008
		Primrose/Wolf Lake East Expansion	CSS	Regulatory submission in progress	2009
EnCana		Foster Creek	SAGD	Currently producing	
		Foster Creek, Phase 2	SAGD	Construction in progress	2006
Husky		Tucker	SAGD	Construction in progress	2007
Imperial Oil		Cold Lake	CSS	Currently producing	
		Cold Lake, Nabiye Project	CSS	Construction in progress	2006
Peace River Area					
BlackRock Ventures		Seal	Cold production	Currently producing	
Shell		Peace River	CSS	Currently producing	
		Carmen Creek	CSS	Regulatory submission in progress	
Other					
BA Energy		Alberta Heartland Upgrader	Upgrader	Regulatory approval received	2007
Husky		Tucker	SAGD	Construction in progress	2007
Imperial Oil		Cold Lake	CSS	Currently producing	
		Cold Lake, Nabiye Project	CSS	Construction in progress	2006
Peace River Area					
BlackRock Ventures		Seal	Cold production	Currently producing	
Shell		Peace River	CSS	Currently producing	
		Carmen Creek	CSS	Regulatory submission in progress	
Other					
BA Energy		Alberta Heartland Upgrader	Upgrader	Regulatory approval received	2007
CNRL		Pelican Lake	Cold production	Currently producing	
EnCana		Pelican Lake	Cold production	Currently producing	
Husky		Lloydminster Upgrader	Upgrader enhancements	Construction in progress	2006
Northwest Upgrading		Northwest Upgrader	Upgrader	Regulatory approval received	2007
Petro-Canada		Strathcona Refinery Conversion	Upgrader expansion	Construction in progress	2008
Shell		Scotford Upgrader	Upgrader	Currently producing	
		Scotford Upgrader Expansion	Upgrader	Application filed	2009

† Syncrude Joint Venture Partners: Canadian Oil Sands Trust 31.74% Imperial Oil 25% Petro-Canada 12% ConocoPhillips 9.03% Nexen 7.23% Mocal Energy Limited 5% Murphy Oil Company 5% Canadian Oil Sands LP 5%

2005 Activities

While exploration, development or production continued on every single active lease, 2005 saw several new construction projects begin at the Orion Hilda Lake (BlackRock Ventures), Horizon (CNRL), Jackfish (Devon Energy), Christina Lake (MEG Energy) and Joslyn (Total) leases.

Regulatory approval was received by three oil sands developments: Petro-Canada for the Fort Hills project, Husky Energy for Sunrise, and BA Energy for its Heartland Upgrader to be located in Strathcona County.

Applications for regulatory approval were filed by Petro-Canada (MacKay River Expansion Project), Imperial Oil (Kearl), Shell Canada (Muskeg River Mine Expansion Project), MEG Energy (Christina Lake, Phase 2), and Connacher Oil and Gas (Great Divide Project).

Synenco Energy publicly disclosed plans for their Northern Lights project. Public announcements were for major expansion plans by CNRL for two more phases at Horizon, by EnCana for more expansion at Christina Lake and Foster Creek as well as a new project at Borealis, and by Synenco for an upgrader north of Edmonton to handle the bitumen from its Great Divide Project.

All this 2005 activity represents a staggering $24 billion spend on expansions to existing projects or proposed budgets for future projects.

The Investments

The early 2005 results from industry sources, including the CAPP survey of capital expenditures and forecasts in the oil sands sector, indicate that the industry may spend just over $63 billion on new oil sands projects from 2005 to 2010. The figure is closer to $80 billion if the period is extended from 2005 to 2015. Between 2005 and 2015 a further $16 billion may be spent on sustaining capital.

Although these estimates acknowledge that not all of the projects will come to fruition, these investments by strongly committed companies will eclipse spending in the previous six-year period. For 1996 to 2004 the industry spent an estimated $29 billion on new projects and a further estimated $5 billion on sustaining capital.

As well as the enormity of the resource base, the royalty system must be credited with having provided an incentive for resource development. Alberta's generic royalty system, which became effective in 1997, provided that, prior to a project's payout date, the applicable royalty is 1% of gross revenues. Subsequent to a project's payout date, the applicable royalty is the greater of 1% of gross revenues or 25% of the project's net revenue. Payout occurs when cumulative revenue from the project equals the allowed cumulative costs of the project.

2005 was characterized by the first large investments made by offshore companies. In April China National Offshore Oil Corp. ("CNOOC") paid $150 million for a 16.7% interest in MEG Energy, a pure play start up SAGD company developing a Christina Lake lease. The following month China Petroleum and Chemical Corp (Sinopec) paid $105 million for a 40% interest in Synenco's Northern Lights, an integrated mine, extraction and upgrader project with construction costs over $5 billion.

Total, the French major, acquired Deer Creek Energy who was developing the Joslyn project, for $1.7 billion. Also, PetroChina entered into an agreement with Enbridge Inc. for capacity commitments on a proposed oil pipeline to the West Coast from Alberta.

The Challenges

Oil sands economics are very much dictated by the type of project envisaged. By capturing the heavy oil differential, integrated oil sands projects yielding synthetic crude realize more worth from the value chain. The decision to include an upgrader, or not, can end up being a choice of increased initial capital cost against realization of better product prices longer term.

Both mining and in situ projects are susceptible to upgrading economics, and early indications are that the stability of returns is increased with the inclusion of an upgrader. Several of the major producers have chosen either upgrading facilities on site or transportation to their own existing refinery complexes elsewhere for processing.

For the bitumen producers without access to upgrading facilities, diluent availability and pipelines to ship to refineries capable of processing are other large factors. Indeed, stand-alone upgraders are on the horizon to take advantage of this situation.

Both mining and in situ projects are heavily influenced by the price and availability of natural gas as an energy source to generate the heat, steam and power required. Some companies have their own natural gas production that serves as a hedge against this exposure. Others are considering technologies that remove the dependency on natural gas. There is even talk of a nuclear facility in the area to provide the power required.

By far the most pressing challenge, however, is the present scarcity of skilled construction personnel. Oil sands project cost overruns have been experienced in the past by such a supply/demand imbalance. In 2005 construction industry sources indicated that requirements grew from 12,000 to 16,000 persons during the year. Future forecasts show escalation of these numbers in 2006/2007 to 22,000 craftsmen, without taking into account any requirements for gas pipeline construction from the Arctic.

Judging by the number of future projects being developed and the amount of investment envisaged, the industry in 2005 indicated that it is confident that these challenges can be overcome, in pursuit of the realization of a world class resource, in a stable fiscal and political environment, and against a backdrop of increasing worldwide energy demand.

Capital Markets

Stock Market Performance

In 2005 performance for the major North American equity indexes split along geographical boundaries with the Canadian index showing strong gains throughout 2005, whereas both major American indexes finished essentially flat from the 2004 year-end close. Specifically, the S&P/TSX Composite Index ("S&P/TSX") finished up 22% from its 2004 year-end close, the Dow Jones Industrial Average ("Dow Jones") down less than 1%, the S&P 500 up 3%, and the NASDAQ Composite Index up 1%.

In the energy sector, the S&P/TSX Energy index eclipsed the broader S&P/TSX index, with a net gain of 60% on the year, while the S&P/TSX Energy Trust index posted a gain of 37%. Energy commodity prices, and more specifically oil prices, continued their upward trend from 2004, fuelled by sustained demand growth in Asia and supply concerns, both from apprehensions over non-OPEC supplies being able to meet demand and the potential geo-political risks in several OPEC member nations (Middle East, Nigeria and Venezuela) and weather-related factors affecting North American natural gas production in the fall of 2005. Other resource-related indicators also tracked the broader index, although to a lesser degree, with the Materials index (comprised of mining, metals and forestry companies) up 14% and the Utilities index up 32%. The S&P/TSX Information Technology index was the only sub-index to see a decline with a loss of 13% in 2005 partially reversing the 25% gain in 2004.

For the first quarter of 2006, all the major North American indexes posted gains with the Canadian index continuing the 2005 trend in outperforming the U.S. indexes, with the S&P/TSX up 7%, compared with a 4% gain for each of the S&P 500, the Dow Jones, and the NASDAQ indexes. Assisting in the rise of the S&P/TSX, the TSX Energy index was up a further 10% in the first quarter of 2006 amidst ongoing concerns over global oil supplies coupled with increasing demand.

From an interest rate standpoint, the Bank of Canada rate, which remained steady at 2.5% for the first half of 2005, climbed steadily over the closing months to end the year at 3.25%. Similarly, the U.S. Federal Reserve continued a tightening monetary policy and steadily increased rates over 2005 with eight separate 25-basis point increases over the course of the year to close at 4.25%.

S&P/TSX Energy Sub-Sector Performance

Fuelled by skyrocketing oil prices, and hence increased activity in the sector, the sub-indexes of the S&P/TSX Energy composite index posted material gains for the third year in a row. Specifically, the Oil & Gas Exploration and Production sub-index returned 72% in 2005 (39% - 2004), the Integrated Oils sub-index posted a 64% gain in 2005 (19% - 2004), and the Equipment and Services sub-index posted a gain of 60% in 2005 (33% - 2004).

Through the first quarter of 2006 all indicators continue to point toward another positive year for the S&P/TSX Energy sub-sectors as commodity prices remain strong amidst supply concerns, and continued (yet somewhat lessening) economic growth in Asia (China). However the 2006 outlook is somewhat tempered as the industry is facing escalating costs. The energy services industry associations also project 2006 to be another record year in Canadian drilling activity, with forecasted wells drilled for 2006 to be over 25,000 or 15% above the previous record year set in 2005.

Issuance Activity

The 2005 year continued on the same positive trend of the past three years, with the total value of new issuances reaching $16.3 billion, an increase of 3% over 2004's record total of $15.8 billion. Factors contributing to the high financing levels included funding for the oil sands development and increased equity issuances by a growing number of start-up oil and gas companies.

The following table illustrates the composition of total financings for the past two years, in billions of dollars:

	2005	2004	% change
Equity	$7.2	$4.9	47%
Debt	$4.6	$7.1	-35%
Royalty Trusts	$4.5	$3.8	18%

Source: Sayer Energy Advisors

As illustrated above, new equity financings for 2005 continued positive year-over-year gains and reached a value of $7.2 billion, $2.3 billion or 47% above 2004 levels. The increase was attributed to continued strong demand for oil sands equity, junior oil and gas, and flow through equity financing. The increase in equity financings matched a corresponding decrease in debt financings in 2005 notwithstanding the continued low interest rate environment. Debt financings decreased 35% or $2.5 billion to $4.6 billion in 2005. Royalty trust financings posted another strong year with an 18% increase in financings to $4.5 billion from $3.8 billion in 2004.

The pace of IPO activity in 2005 increased slightly from 2004 levels, with 15 new oil and gas listings (14 in 2004) completed on the country's principal stock exchanges. The gross value of issues increased significantly in 2005, up 54% to $618 million from $401 million in 2004.

Mergers & Acquisitions

Valuation parameters for Canadian oil and gas transactions continued their positive trend, reaching new record highs in 2005, with Sayer Energy Advisors reporting a median acquisition price for 2005 of $15.83/boe (using a 6:1 conversion for gas) compared to $12.83 in 2004, for an increase of 23%, fuelled primarily by surging oil prices.

Activity levels in 2005 skyrocketed from 2004 with the total enterprise value for mergers and acquisitions in Canada's oil patch up by almost 120%, to $33.6 billion in 2005, from $15.3 billion a year earlier. This higher level is more in keeping with transaction values posted earlier in the decade. Royalty trusts continued to play a key role in the M&A market, accounting for approximately $12.6 billion or 38% of the total transactions value compared to 2004 where Royalty trusts accounted for $7.3 billion or 48% of the total transactions.

Electricity Sector

British Columbia

Policy and Regulatory

The Government of British Columbia has embarked on a plan to expand the province's energy strategy by the end of 2006. This plan will outline the government's new vision for the electricity, oil and gas, and alternative energy sectors, with a key focus on conservation, efficiency, and innovation. The government will also create the appropriate policy and regulatory framework to see the vision implemented. Possible areas that will be covered are: new energy efficiency measures; a strategy to continue to improve the oil and gas industry; increased promotion of exploration; a strategy to reduce transportation emissions, and innovative ways to attract and retain skilled labour.

The government has also implemented a new participation rent policy for wind projects located on crown land. This new policy includes no participation rents for the first 10 years, followed by a variable rent policy based on power production in year 11.

In 2005, BC Hydro began work on its 2005 Integrated Electricity Plan ("IEP"), with a focus on evaluating resource options and determining a preferred portfolio that will align with the stated objectives of the IEP (reliable electricity supply, low cost, low environmental impact, etc.). This updated plan should be filed in the near future, and it is expected that an updated IEP will be released every two years. BC Hydro's IEP is separate from the government's energy strategy development initiative, though it will no doubt add value to any future policy development.

Electricity Generation and Supply

In December 2005, BC Hydro issued its long awaited F2006 Open Call for Power, with a goal of procuring approximately 2,500 GWh/year from large electrical energy projects, and 200 GWh/year from small projects (capacity between 0.05 MW and 10 MW). This procurement process should be completed by the end of August 2006.

BC Hydro has abandoned the Duke Point Power Project, the winning proponent of the Vancouver Island Call for Tender, due to increased risk of its inability to meet time constraints following the decision of the B.C. Court of Appeal to hear an appeal of the project by a number of intervenors. Vancouver Island's short term reliability concerns will be addressed by working to extend the life of current transmission cables and making load curtailment arrangements with industrial customers that may be needed beginning in 2007 and until new transmission lines come into service.

Transmission and Distribution

The British Columbia Transmission Corporation ("BCTC") is moving forward on the Vancouver Island transmission proposal in order to meet the forecast demand on Vancouver Island and the southern Gulf Islands by 2008. The project is currently undergoing regulatory review, and will also be subject to a number of environmental assessments.

Further to 2004's discussions surrounding the development of a regional transmission organization ("RTO"), BCTC announced in January 2006 that it was discontinuing its funding of the next phase of Grid West. This follows the withdrawal of Bonneville Power Administration from the proposed project, and the results of a cost benefit study that showed little benefit to the province from continued participation.

Alberta

Policy and Regulatory

In June 2005, the government of Alberta released its new Electricity Policy Framework, incorporating recommendations to make the province's electricity system more competitive, reliable, and sustainable. As part of this policy framework, the need for a day-ahead market, a recommendation put forward in the 2004 Integrated Options Paper, was deemed unnecessary. Instead, the framework outlined a number of measured policy refinements which addressed issues such as: supply "must offer" requirements, two hour restatement restrictions, possible alignment of dispatch and settlement periods, and unit commitment for supply adequacy.

This framework also outlined a transitional Regulated Rate Option ("RRO") design. This five-year plan will allow for progressive movement toward a competitive retail market for small consumers by steadily changing the rate design to one based on a monthly forward hedge. As part of this transition, longer term hedge rate contract components would be reduced by 20% per year. The government of Alberta believes such a gradual change will allow consumers to gain knowledge of the retail options, so that at the end of the transitional period they can make a knowledgeable choice between the RRO and a competitive retail option.

This past year, the government also established a new advisory committee on transmission, made up of members of the Legislative Assembly. This group's mandate is to work with the Alberta Electric System Operator ("AESO"), municipalities, stakeholders, and regulators to encourage investment and the timely development of transmission infrastructure.

Electricity Generation and Supply

Within Alberta, another major initiative being undertaken is the sale of the Genessee coal-fired generating station Power Purchase Agreement ("PPA"), for a total of 762 MW. The final bids were placed in March 2006, and the expected strip contracts or PPA transfer arrangements are expected to take place within the next few months. The Genessee PPA auction followed the successful completion of the Sheerness PPA auction in November 2005.

In terms of generation, the Vision Quest Windelectric 68 MW Summerview wind project came on stream in May 2005. Enbridge, Suncor Energy Products, and EHN Wind Power Canada also began construction of a 30 MW wind power plant just west of Taber in southern Alberta. This project includes 20 wind turbines and should be in service by the end of 2006.

ENMAX is also set to begin construction of an 80 MW wind power generating facility in the Municipal District of Taber. Construction is expected to begin in April 2006, with completion in early 2007. A key element of this wind power facility is the 20-year supply agreement with the City of Calgary. The City has agreed to purchase 100% of its electricity from this wind project with a long-term goal of having more than 75% of its municipal government operations provided by renewable resources.

In July 2005, work began on Creststreet's Kettles Hill wind power project in Pincher Creek, which includes 35 wind turbines for a total capacity of 63 MW. Creststreet plans to sell the green credits created from this project to other companies needing to offset greenhouse-gas emissions.

Transmission and Distribution

The AESO has made a number of significant investments over the past year in the transmission system. In March 2006, the AESO filed a $300 million reinforcement project to strengthen the northwest area of the provincial electricity grid. In total, the AESO has introduced approximately $1 billion in enhancements to the grid, including reinforcements between Edmonton and Calgary, strengthening the grid in southwestern Alberta, and planning enhancements within Calgary, Edmonton, and in the southeast part of the province. It is expected that further enhancements and upgrades will be needed over the next 10 years.

Saskatchewan

Policy and Regulatory

Over the next year, SaskPower - Saskatchewan's chief supplier and distributor of electricity - plans to create a new vision for its organization, one that will incorporate its commitment to the social and economic well-being of Saskatchewan. This re-visioning process follows a review of the organization's mission and values established in 2003.

Electricity Generation and Supply

In 2005, SaskPower worked to expand its Green Power Portfolio in a number of ways. Firstly, its fully owned subsidiary, SaskPower International, moved forward with the construction of the 150 KW Centennial Wind Power Facility 25 kilometres southeast of Swift Current. Nearing completion, the Centennial project began feeding electricity into the Saskatchewan electricity grid in December 2005.

Additionally, SaskPower initiated a Request for Proposal ("RFP") for the second phase of its Environmentally Preferred Power Program, a program aimed at encouraging the development of independent and low environmental impact generating facilities. SaskPower is looking to build on the initial 13 MW acquired in 2003, by procuring an additional 32 MW of private generation. Responses to the February 2005 Expression of Interest included facilities for Biogas/Biomass, Flare Gas, Heat Recovery, Low Impact Hydro, Solar and Wind.

Manitoba

Electricity Generation and Supply

In Manitoba, wind power gained esteem over the last year as the province saw its first megawatts of wind-power generated. In April 2005, the first test wind turbine at the St. Leon Wind Energy Facility began operations. Over the next few months, an additional eleven test turbines were erected under the Canadian Renewable and Conservation Expense ("CRCE") test phase of the project. In November 2005, the test phase was deemed a success. Currently, the second phase of turbine construction is underway. When fully completed later this year, the St. Leon project will add an additional 99 MW of energy to the Manitoba electricity grid.

In November 2005, the Government of Manitoba in conjunction with Manitoba Hydro initiated the next step in the provincial plan to develop 1,000 MW of wind power generation over the next 10 years. The province has invited Expressions of Interest from proponents for other potential wind-power projects for the province between 10 MW and 1,000 MW in size.

In the future, it is expected that the province will also move to procure for 50 MW of generation from small, community-based generation projects.

Transmission and Distribution

The government of Manitoba signed an agreement to transfer more than $500 million in hydroelectric power to Ontario starting in 2006, through the first phase of the Clean Energy Transfer Initiative ("CETI"). Over the next four years, the intertie between the two provinces will be doubled, resulting in a transfer capacity of 400 MW annually. Discussions regarding the second phase of the project, which could see a long-term transfer of up to 3,000 MW, are expected to continue. If completed, the second phase of CETI would include the building of new generation facilities in Manitoba and new transmission infrastructure to link the two provinces.

Ontario

Policy and Regulatory

Supply will be a key issue in 2006, as Ontario moves to finalize its long term desired portfolio for energy generation. In December 2005, the Ontario Power Authority (“OPA”) submitted a report on the future supply mix for Ontario. This report recommended increasing renewable energy sources, maximizing conservation and demand side initiatives, and adding more natural gas and nuclear generation. Currently, the government is gathering the opinions of Ontarians on the OPA report, and should make a decision later this year on the future supply mix for the province.

To foster conservation, Ontario introduced the *Energy Conservation Responsibility Act* in November 2005, legislation that will assist it in meeting its target to install 800,000 smart meters by 2007, with the remainder to be installed by 2010. This legislation also requires ministries, agencies, and the broader public sector to produce conservation strategies, and to report on energy consumption, proposed conservation initiatives, and their progress on achieving conservation targets.

The Ontario Government also presented its coal replacement strategy in June of 2005, following the closure of Lakeview Generating Station in April 2005. This closure plan would see the Atikokan, Thunder Bay, and Lambton generating facilities closed by the end of 2007, and the major Nanticoke facility closed by the end of 2009.

Electricity Generation and Supply

On the generation front, Ontario is building its renewable energy portfolio. In November 2005, the results of Ontario’s second renewables RFP were announced. Nine new green energy projects were awarded and will provide an additional 975 MW to the grid. In total, Ontario plans to bring 2,700 MW of new renewable energy online by 2010. A third renewables RFP is expected to be released later in 2006.

The announcement of a Standard Offer Program in March 2006 for small renewable energy projects is also expected to bring approximately 1,000 MW of electricity online over the next 10 years. This offer would see the OPA purchasing electricity produced by wind, small hydroelectric, and biomass at a base price of 11 cents per kWh. Solar energy would be purchased at a rate of 42 cents per kWh. Only individual renewable energy projects producing a maximum of 10 MW are eligible for the Standard Offer. This builds on an earlier announcement in 2005 of a Net Metering Program, whereby those with small renewable energy systems can receive a credit on their electricity bills for any excess energy they generate that is fed into the provincial grid.

Ontario also made an agreement with Bruce Power in October 2005 to restart two mothballed units at the Bruce Nuclear facility, which will add a combined 1,500 MW to the provincial grid.

Additionally, the government of Ontario joined with Hydro-Québec and SNC Lavalin in March 2005 to file a joint bid for hydroelectric development of the Lower Churchill River in Newfoundland and Labrador. This bid was selected for the second phase of the tendering process. If the bid is successful, Ontario would gain an additional 670 MW of generation from the proposed project.

Transmission and Distribution

Inter-provincially, Ontario signed a Clean Energy Transfer Initiative agreement with Manitoba, which will see the intertie between the two provinces doubled over the next four years, to a transfer capacity of 400 MW. Discussions regarding the second phase of this initiative are expected to continue, a phase which could see a long-term energy transfer of up to 3,000 MW from Manitoba.

Québec

Policy and Regulatory

In November 2005, Québec put forward a new energy strategy based on three key pillars: ensuring energy security while creating wealth, providing a powerful contribution to regional prosperity, and confirming Québec's commitment to sustainable development. To meet the objectives of these three pillars, the province is looking at reviving hydroelectric development, developing a wind energy sector, increasing energy efficiency, sponsoring energy innovations, consolidating and diversifying oil and natural gas supplies, and adapting the electricity regulatory framework. At the present time, Québec is hosting an internet-based consultation process on its proposed plan. Once this step is completed, it is expected that Québec's definitive energy strategy will be announced.

Electricity Generation and Supply

Hydro-Québec is in the process of procuring for additional power from wind energy. In October 2005, it issued a second Call for Tender for 2,000 MW of wind power, to be delivered between 2009 and 2013. This call for tender is part of Québec's overall plan to procure 3,500 MW of wind power by 2014.

In June 2005, Hydro-Québec announced Tembec Inc. as the winner of an earlier Call for Tender for cogeneration. Beginning in 2008, Tembec Inc. will be producing 8.1 MW of electricity from forest biomass at its facilities in Témiscamingue.

In March 2005, Hydro-Québec submitted a joint bid with the government of Ontario and SNC Lavalin for the development of a major hydroelectric facility on the Lower Churchill River in the province of Newfoundland and Labrador. In August 2005, it was announced that this joint bid has moved onto the second phase of the Expressions of Interest and Proposals process.

This year, Hydro-Québec also raised its goal for energy efficiency savings to 4.1 Terawatts by 2010. The company is doing this through a combination of energy efficiency programs, including incentive programs to replace bi-metallic thermostats and the Energy Wise Home Diagnostic program. In 2006, it intends to introduce two new efficiency programs aimed at large power consumers: a plant overhaul program and a building incentives program.

New Brunswick

Policy and Regulatory

In February 2006, the province of New Brunswick commissioned two studies related to energy efficiency. The Industrial Energy Management Study will estimate the economic energy efficiency potential in the province's industrial and manufacturing sectors, and will identify potential energy efficiency opportunities, provide insight into the cost-cutting potential of such investments, and also allow for future programs to be tailored to sector needs.

The second study has a similar mandate, however, it is aimed at the commercial and residential sectors. As part of this study, a set of analytical tools will be developed that can be used to identify cost-effective measures, design incentive programs, and track the performance of efficiency initiatives.

On the renewable energy front, last year New Brunswick introduced a new Renewable Portfolio Standard, with a target of having 33% of power generation coming from renewable sources by 2016.

Electricity Generation and Supply

In line with the new Energy Portfolio Standard, New Brunswick issued an Expression of Interest in October 2005 aimed at procuring 400 MW of wind powered generation.

Over the last year, New Brunswick also announced its plan to go ahead with the refurbishment of Point Lepreau Nuclear facility. This refurbishment will cost $1.4 billion, with the estimated service outage lasting from April 2008 until September 2009.

Further to the Point Lepreau announcement, New Brunswick Power and Atomic Energy Canada Limited ("AECL") launched a public website in January 2006 aimed at giving the public information about progress, milestones, and employment opportunities. This website can be accessed at: http://poweringthefuture.nbpower.com.

Newfoundland and Labrador

Policy and Regulatory

In 2005, the government of Newfoundland and Labrador announced its intention to formulate a comprehensive Energy Plan for the province. The province's goal is to become an "energy clearinghouse," making use of its wealth of hydroelectric, petroleum, and renewable energy resources. As part of the development of this plan, the government began an extensive public consultation process in early 2006.

Electricity Generation and Supply

Last year, the province of Newfoundland and Labrador and Newfoundland and Labrador Hydro ("NLH") received responses to the Expressions of Interest for the development of the Lower Churchill River. Of the 25 proposals received, three (including the joint bid by Ontario, Hydro-Quebec, and SNC Lavalin) moved on to Phase 2, a phase that is presently ongoing.

In December 2005, NLH issued a Request for Proposals for 25 MW of wind generation for the Island Interconnected System. As a result of this request, the company received 13 Expressions of Interest from potential bidders. Final proposals are expected to be submitted in August 2006.

Transmission and Distribution

In 2005, NLH stated that it would be investing $42 million in upgrades to the province's electricity system. These investments include upgrades to transmission and distribution systems, the construction of a diesel plant in St. Lewis, and the replacement of the main electricity management system at the province's Energy Control Centre.

Nova Scotia

Policy and Regulatory

In October 2005, the province of Nova Scotia released a Green Energy Framework for the province, which suggests the need to develop a vision for future energy use that relies more on energy efficiency, renewable and alternative energy, and the development of cleaner energy technologies. The framework recommends a number of new renewable initiatives, including an additional 280 MW of wind power, 20 MW from a biomass-fuelled generating facility in the northern part of the province, 50 MW by adding heat recovery capacity to Nova Scotia Power facilities, and 50 MW through a co-generation project.

Additionally, following an 8.9% power rate increase, the second power rate increase in a year, the government of Nova Scotia stated that it would introduce legislation in spring 2006 to help protect the province's electricity consumers. This new legislation would limit the ability of the Nova Scotia Utility and Review Board to grant only one power rate increase per year.

The government also introduced a 10% rebate on domestic and commercial solar water systems in 2005. The rebate is available to Nova Scotian residents up to a value of $5,000 of the installed cost for systems purchased between October 2005 and August 2007.

The province is also investigating the feasibility of harnessing tides in the Bay of Fundy to produce another form of renewable electricity. A study commissioned by Nova Scotia, New Brunswick, and a number of American jurisdictions is currently looking at whether tidal flow generators would be feasible. The study results should be available in late spring of 2006.

Meanwhile, Nova Scotia Power is also working towards the creation of a new conservation and energy efficiency plan. To this effect, the company brought together a customer advisory team to study the issue last summer, and followed up in October 2005 by releasing a discussion paper entitled, "Cleaner, Greener Choices."

Electricity Generation and Supply

Nova Scotia Power expanded its Net Metering Program last year, by increasing the eligibility level to 100 KW. Through Net Metering, customers, farms, and commercial businesses can feed excess power from small energy systems into the provincial grid. Any power produced by consumers for the grid would then be credited to their Nova Scotia Power account against future grid-based energy consumption.

Prince Edward Island

Policy and Regulatory

Most sections of the Prince Edward Island's Renewable Energy Act were proclaimed in December 2005, following government approval of Minimum Purchase Price Regulations, Designated Area Regulations, and Net Metering System Regulations. These three sets of regulations are intended to guide key aspects of the province's renewable energy development strategy.

The Minimum Purchase Price that utilities must pay for power produced by large renewable energy generators producing more than 100 KW in the province was set at 7.75 cents per kWh. Of that amount, 5.75 cents is a fixed rate and 2.0 cents is a variable rate that can be adjusted annually to reflect operating cost changes.

The Designated Areas Regulations were created to ensure that large-scale wind power projects take place only in regions where it is economically feasible. Areas identified for development had to have an average wind speed of 7.5 metres per second.

Meanwhile, under the new Net Metering Regulation, any excess energy produced by small-scale generators can be fed into the provincial grid, in return for a credit from the utility at the same price as the consumer pays for power.

Electricity Generation and Supply

In September 2005, the government of Prince Edward Island gave approval to PEI Energy Corporation to proceed with the final design and development of a 30 MW wind farm at the eastern end of the Island. The wind farm is tentatively scheduled to begin operations in the fall of 2006.

Additionally, to help foster wind energy projects in the province, Prince Edward Island released an online, interactive Wind Atlas in October 2005 to help identify areas with the best potential for development.

The province of PEI is also involved in a unique Wind-Hydrogen Village project. This project, announced in April 2005 has three phases. In the first phase, a hydrogen energy station and storage depot would be introduced, along with a wind-hydrogen and wind-diesel integrated control system to power the North Cape Interpretive Centre Complex, Atlantic Wind Test Site, and other buildings and homes in the vicinity. The second phase would include full-service hydrogen shuttle buses, a hydrogen refueling station in Charlottetown, and the expansion of the village to provide energy for additional buildings and facilities, including a farm operation. The third phase would include a tour boat departing from Seacow Pond Wharf that could run on pure hydrogen. Overall, the province's goal in such an endeavour is to establish the province as a leader in renewable energy technology, in line with its Renewable Energy Strategy.

2006 Outlook

Crude oil prices remained over U.S.$42/bbl for all of 2005, peaking at just under U.S.$70/bbl in August 2005, and continued to be affected by supply concerns and strong global demand. For the first quarter of 2006 crude oil prices continued to be very strong, with WTI averaging U.S.$63/bbl, roughly 11% above the 2005 annual average of U.S.$56.59/bbl.

Given the projected growth in Asia and continued and escalating geo-political unrest in certain OPEC nations, commodity prices are expected to remain at high levels for 2006. Certain industry analysts and government agencies are expecting oil prices to slightly moderate for 2006. Natural gas prices however, notwithstanding expected increased demand, are forecasted to be lower for 2006 as the much warmer than average winter has resulted in high storage levels. As a result, natural gas prices are projected to be lower than those experienced in 2005. Notwithstanding that the North American winter was considerably warmer than average for the first quarter of 2006, natural gas prices for AECO-C averaged C$7.09/GJ and NYMX Henry Hub averaged U.S.$7.66/MMBTU, an 8% increase for AECO-C and a 19% increase for NYMEX Henry Hub from their 2005 respective averages. The warmer weather has resulted in North American gas storage levels being higher than the five-year average, which is expected to have a moderating impact on natural gas prices for the balance of 2006.

Continued robust 2005 and Q1 2006 producer cash flows are again expected to translate into another record year for activity levels in the oilfield services sector for 2006. First quarter drilling activity for 2006 is ahead of 2005 with 6,172 wells drilled (on a completed basis) and a rig utilization of 78% compared with 5,070 wells drilled and rig utilization of 80% for Q1 2005. The Petroleum Services Association of Canada is forecasting 25,300 wells to be drilled in 2006, approximately 2% above the record levels experienced in 2005.

Early 2006 activity in the oil sands shows every indication of a busy year ahead. Perhaps the biggest surprises to date have been the westward and eastward extension of the plays. 100 kms to the west of Fort McMurray Royal Dutch Shell have acquired nearly 900 square kilometers of land, spending nearly half a billion dollars on undeveloped acreage where the bitumen is believed to be trapped in limestone, not sands. Over in Saskatchewan, 50 kms to the east of Suncor's Firebag production, Oilsands Quest Inc. have obtained nearly 850,000 acres of land, where early year exploration drilling has identified bitumen in the McMurray formation, similar to the Athabasca area.

In capital market activity, the number of publicly disclosed corporate and asset acquisitions in the first quarter was significantly lower than that experienced in 2005 (106 for Q1/2006 versus 177 for Q1/2005), and the value decreased to a 10 year low ($1.6 B Q1/2006 versus $3.1 B for Q1/2005). There were no large transactions (valued over $500 million) in Q1/2006 whereas there was one in Q1/2005.

Notwithstanding the lower dollar value of transactions, the valuation benchmarks for Canadian oil and gas deals in the first quarter of 2006, specifically production acquisition price and reserves acquisition prices, continued to increase. According to Sayer Energy Partners, the median production price was $21.10/boe/d for the first quarter of 2006 compared to $20.64/boe/d for the last quarter of 2005.

Higher commodity prices driven by supply concerns and strong demand have continued to drive up deal parameters. With the strong commodity price forecasts, it is likely that the deal parameters will continue to remain robust.

Scope of PricewaterhouseCoopers' Survey

The information regarding exploration and production companies and income trusts included in the Survey has been obtained from the financial and operating results of fiscal years ended in the 2005 calendar year and released by April 28, 2006. Companies that released after April 28, 2006 were excluded. All figures are in Canadian dollars unless otherwise stated.

All companies included in the survey are Canadian public companies or publicly traded income trusts that are listed on the TSX or TSX Venture exchange with significant operations located in Canada. Financial data includes results from all business segments of each company. The top 100 E&P companies have been selected based on gross revenues. The basis for the ranking was gross oil and gas production revenue only (before royalties). Some companies have other revenue sources, and these amounts were excluded for purposes of the ranking.

Companies excluded from the survey include wholly owned subsidiaries and divisions of U.S. subsidiaries, as well as private companies. The Trusts section includes only E&P Income Trusts and excludes all other trusts, including those relating to the service and power sectors.

All production figures have been presented using a conversion rate of 6:1 for natural gas to crude oil, consistent with the industry standard.

The following conversion rates were used throughout the survey:

One cubic metre of oil (m^3)	= 6.29 barrels
One thousand cubic metres of natural gas (10^3m^3)	= 35.49 mcf
One barrel of oil	= 6 mcf of natural gas

The following abbreviations were also used:

b	billions
bbl (mbbls) (mmbbls) (bbbls)	barrel (thousands) (millions) (billions)
boe (mboe)	barrels of oil equivalent (thousand)
boe/d	barrels of oil equivalent per day
CAPP	Canadian Association of Petroleum Producers
GhG	greenhouse gases
GWh	gigawatt hour
ktonnes	kilotonnes
kV	kilovolts
kWh	kilowatt hour
LNG	Liquefied Natural Gas
m	millions
mcf (mmcf) (bcf) (tcf)	thousand cubic feet (million) (billion) (trillion)
mbpd	thousand barrels per day
mmbtu	millions of British thermal units
MT	megatonnes
MW	megawatts
MWh	megawatt hour
NGL	Natural Gas Liquid
TWh	terawatt hour

Financial Statistics

Exploration and Production

The year 2005 resulted in significant growth in performance in the financial results of our Top 100 E&P companies compared with 2004. 2005 experienced less consolidation in the industry during the year than 2004, and the introduction of many smaller companies to the population of the survey.

Gross revenues grew by an average 13.3% from $1.13 billion to $1.28 billion while average assets grew 11.4% from $1.75 billion to $1.95 billion. Revenues for integrated and senior producers (the top 10 companies) grew by an average 25.8%, based on a 17.6% growth in average assets. Intermediate and junior company revenues grew an average 81.46 % from average asset growth of 72.27%.

Average cash flow from operations increased by 28.5% to $405 million in 2005, up from $315 million in 2004. Earnings per share increased from an average $0.40 per share to $0.61 per share.

Capital expenditures grew 8.4% from an average of $370 million to $401 million. This was consistent with the continued focus on finding new reserves to try to capitalize on the robust pricing scenario.

EXPLORATION & PRODUCTION FINANCIAL STATISTICS

COMPANY	Gross Revenues (thousands) 2005	Gross Revenues (thousands) 2004	Net Income/ (Loss) (thousands) 2005	Net Income/ (Loss) (thousands) 2004	EPS 2005	EPS 2004	Cash Flow from Ops. (thousands) 2005
Imperial Oil Limited [22, 38]	28,214,000	22,460,000	2,600,000	2,052,000	7.62	5.75	3,146,000
Petro-Canada [38]	17,585,000	14,270,000	1,791,000	1,757,000	3.45	3.32	3,787,000
EnCana Corporation [23, 24, 38]	17,284,686	13,352,089	4,150,942	4,572,170	4.79	4.97	8,997,342
Shell Canada Limited [38]	14,171,000	11,197,000	2,014,000	1,286,000	2.44	1.56	3,056,000
Husky Energy Inc. [38]	11,085,000	9,151,000	2,003,000	1,006,000	4.72	2.37	3,744,000
Suncor Energy Inc. [38]	9,749,000	8,270,000	1,245,000	1,088,000	2.73	2.40	2,476,000
Talisman Energy Inc. [38]	9,477,000	6,394,000	1,561,000	654,000	4.24	1.71	4,672,000
Canadian Natural Resources Ltd.	8,115,000	7,113,000	1,050,000	1,405,000	1.96	2.62	5,021,000
Nexen Inc. [38]	5,500,082	4,229,939	1,152,000	793,000	4.43	3.08	2,338,000
Western Oil Sands Inc.	910,330	636,911	149,449	19,452	0.93	0.12	244,231
Compton Petroleum Corporation	538,577	382,851	81,326	63,633	0.65	0.54	278,112
Paramount Resources Ltd. [1]	446,628	611,239	(63,932)	41,174	(0.99)	0.69	252,517
Real Resources Inc.	215,271	108,103	48,065	16,155	1.44	0.60	133,415
Pan-Ocean Energy Corporation Ltd. [24]	215,145	129,961	39,127	4,027	1.67	0.20	76,241
Duvernay Oil Corp.	212,967	96,692	50,075	20,255	1.07	0.50	137,154
NuVista Energy Ltd.	169,680	79,398	39,506	18,322	0.90	0.47	104,881
BlackRock Ventures Inc. [25]	162,834	71,908	17,449	7,998	0.19	0.10	51,374
Rider Resources Ltd. [1]	152,820	50,727	38,902	11,478	0.86	0.26	94,118
Highpine Oil & Gas Limited [1, 26]	147,303	43,743	12,274	3,177	0.35	0.19	74,550
Galleon Energy Inc. [1]	135,050	21,652	19,620	(168)	0.67	(0.01)	78,079
Transglobe Energy Corporation [24]	109,569	64,418	24,050	7,704	0.41	0.13	46,134
Niko Resources Ltd.	107,850	85,834	74,222	25,351	2.08	0.76	87,393
Centurion Energy International Inc.	107,238	54,270	9,127	13,400	0.10	0.17	65,674
Celtic Exploration Ltd.	97,207	61,056	18,264	11,501	0.66	0.45	56,969
Cyries Energy Inc. [27]	96,415	11,352	14,832	1,551	0.46	0.07	50,864
Kereco Energy Ltd. [28]	90,728	-	16,488	-	0.58	-	50,357
Crew Energy Inc. [1]	87,532	37,702	24,641	8,948	0.87	0.36	59,392
Pebercan Inc. [24, 30]	85,773	55,185	26,762	12,699	0.38	0.18	64,158
Clear Energy Inc. [1]	81,017	45,782	3,198	2,047	0.06	0.06	43,570
Delphi Energy Corporation	80,235	24,474	6,677	1,953	0.13	0.07	39,599
Kick Energy Corp.	74,593	44,524	14,285	7,049	0.32	0.17	39,996
Point North Energy Ltd. (Formerly Purcell Energy Ltd.) [29]	72,502	66,837	1,743	30	0.17	-	25,131
Endev Energy Inc. [1]	71,538	52,349	12,044	926	0.14	0.01	44,247
Storm Exploration Inc. [31]	70,345	11,414	26,533	6,496	0.68	0.19	37,992
Prairie Schooner Petroleum Ltd. [32]	70,047	18,756	13,513	2,684	0.96	0.35	41,631
Atlas Energy Ltd.	68,589	50,012	(3,920)	528	(0.08)	0.01	32,530
ProEx Energy Ltd. 1, [33]	68,086	9,519	15,015	1,717	0.49	0.06	36,044
Birchcliff Energy Ltd. [34]	67,790	-	3,189	(719)	0.08	-	36,182
Iteration Energy Ltd. [35]	66,207	78,785	3,820	(1,488)	0.08	(0.03)	39,795
Petrobank Energy and Resources Ltd.	65,081	73,377	12,808	833	0.22	0.02	29,152
Gentry Resources Ltd.	64,665	31,717	10,202	3,402	0.26	0.11	35,193
Find Energy Ltd.	63,463	34,681	11,963	2,905	0.36	0.10	37,589
Bow Valley Energy Ltd.	62,940	37,419	6,478	(3,201)	0.10	(0.05)	32,054
Canadian Superior Energy Inc.	55,223	39,299	3,056	(3,024)	0.03	(0.03)	30,333
Blue Mountain Energy Ltd. [1]	51,389	33,126	622	1,417	0.03	0.09	25,228
Innova Exploration Ltd.	50,619	22,831	4,032	12	0.12	-	29,840
Anderson Energy Ltd.	46,953	13,766	731	(1,619)	0.02	(0.05)	25,144
Grey Wolf Exploration Inc. [36]	43,452	23,943	7,065	3,283	0.25	0.25	26,907
Grand Petroleum Inc. [1]	37,522	13,736	2,132	3,020	0.10	0.20	18,623
Berens Energy Ltd. [1]	36,393	18,147	504	(1,766)	0.01	(0.04)	18,285
Burmis Energy Inc.	36,205	15,635	6,084	1,894	0.19	0.08	20,045
Ivanhoe Energy Inc. [24]	36,106	23,160	(16,371)	(26,974)	(0.08)	(0.16)	11,070
ProspEx Resources Ltd. [1, 37]	35,421	7,302	12,831	1,105	0.27	0.03	23,950
Rally Energy Corp. [1]	34,899	22,392	1,541	1,238	0.02	0.02	11,883
ExAlta Energy Inc [2]	33,781	17,049	4,625	1,207	0.16	0.05	20,100

Cash Flow from Ops. (thousands) 2004	CFPS 2005	CFPS 2004	Capital Expenditures (thousands) 2005	Capital Expenditures (thousands) 2004	Total Assets (thousands) 2005	Total Assets (thousands) 2004	Market Capitalization (millions) 2005	Market Capitalization (millions) 2004
2,838,000	9.22	6.42	1,475,000	1,445,000	15,582,000	14,027,000	38,388	24,854
3,425,000	7.31	5.74	3,676,000	4,635,000	20,655,000	18,136,000	24,029	31,808
6,481,470	10.36	6.12	8,390,330	9,681,859	39,645,828	38,051,768	38,607	61,601
2,129,000	3.70	2.06	1,715,000	951,000	13,655,000	10,906,000	34,696	22,014
2,157,000	8.83	5.71	3,068,000	2,451,000	15,797,000	13,240,000	25,023	14,513
2,013,000	5.43	4.53	3,153,000	1,847,000	15,351,000	11,841,000	33,556	19,260
2,916,000	12.69	6.97	3,750,000	2,882,000	18,339,000	12,408,000	19,354	12,131
3,769,000	9.36	7.03	4,932,000	4,633,000	21,852,000	18,372,000	30,910	13,747
1,728,000	8.98	7.25	2,638,000	1,681,000	14,950,000	12,383,000	14,472	12,584
23,044	1.52	0.04	69,350	46,399	1,590,520	1,470,870	4,464	2,230
177,131	2.21	1.33	513,536	316,401	1,755,489	1,330,611	2,176	1,273
294,352	3.89	2.78	433,980	638,296	1,111,350	1,542,786	2,046	1,700
56,413	3.92	1.59	200,701	90,620	529,681	279,656	928	344
40,245	3.25	0.75	113,315	60,228	271,436	169,304	666	544
59,676	2.93	0.84	463,252	179,692	827,263	393,440	2,183	863
49,871	2.40	0.42	238,506	89,686	432,432	173,531	873	430
25,577	0.55	0.19	101,485	51,560	437,567	171,757	1,094	616
26,107	2.08	0.38	126,835	73,052	249,029	143,975	946	382
19,773	2.13	0.69	154,015	66,106	753,690	163,388	916	-
10,227	2.67	(0.03)	210,400	102,700	352,619	160,892	802	247
22,548	0.80	0.23	39,564	34,317	100,178	73,782	350	354
44,784	2.45	1.59	119,105	116,864	480,714	278,939	2,114	1,693
42,065	0.75	0.54	164,772	31,183	253,753	180,657	1,000	1,236
36,381	2.05	0.69	119,260	58,092	242,113	135,984	359	240
5,951	1.58	0.25	226,820	32,558	364,230	69,711	589	189
-	1.78	-	232,959	-	328,267	-	516	-
24,004	2.11	0.20	101,698	55,181	197,604	95,538	622	224
38,077	0.89	-	62,177	30,775	195,373	162,227	497	573
24,684	0.86	0.62	68,354	135,767	212,502	174,814	282	264
11,938	0.79	0.31	112,468	85,707	244,666	171,947	314	176
24,174	0.91	0.34	51,159	35,413	119,037	81,802	320	214
24,275	2.52	3.09	34,011	56,933	40,458	228,533	16	29
27,690	0.50	0.26	40,424	34,012	158,693	140,893	197	96
5,114	0.98	0.15	42,577	57,550	146,989	107,948	263	155
8,344	2.95	0.91	153,898	31,247	295,983	72,577	471	-
24,829	0.63	0.53	125,019	70,595	256,317	140,202	294	171
4,755	1.17	0.18	94,114	31,860	150,193	72,774	541	233
(638)	0.89	-	306,628	439	311,364	42,983	413	-
39,512	0.84	-	44,896	49,289	181,646	202,267	305	159
23,397	0.50	0.61	118,152	47,901	260,982	205,392	563	127
13,385	0.91	0.42	53,854	43,401	132,067	95,514	248	134
16,098	1.12	0.18	67,763	41,774	171,865	116,054	315	137
14,741	0.49	0.38	39,513	28,873	130,346	104,258	362	123
20,242	0.27	0.16	44,083	42,221	186,345	151,011	286	210
16,838	1.18	0.58	36,595	78,276	142,983	128,957	117	172
10,199	0.91	0.43	108,653	27,393	203,023	82,345	267	110
6,216	0.66	-	72,730	41,367	269,413	124,184	372	INA
12,696	0.96	0.31	42,890	14,760	96,451	63,416	179	-
5,450	0.87	0.37	47,948	22,815	69,350	33,478	118	44
7,605	0.38	(0.18)	32,396	19,936	88,635	57,807	203	60
8,160	0.64	0.15	31,762	26,727	71,876	45,741	141	60
6,091	0.06	(0.02)	46,145	57,807	279,658	154,210	234	428
4,338	0.51	0.10	59,157	11,397	120,970	77,368	171	155
8,283	0.15	0.04	22,668	15,649	59,698	43,116	125	130
9,973	0.72	0.44	38,766	23,604	86,087	44,231	203	INA

EXPLORATION & PRODUCTION FINANCIAL STATISTICS

COMPANY	Gross Revenues (thousands) 2005	Gross Revenues (thousands) 2004	Net Income/ (Loss) (thousands) 2005	Net Income/ (Loss) (thousands) 2004	EPS 2005	EPS 2004	Cash Flow from Ops. (thousands) 2005
Geocan Energy Inc.	33,382	16,788	1,553	(1,155)	0.05	(0.07)	12,972
Hawk Energy Corporation	32,846	16,339	6,755	2,508	0.47	0.17	16,898
Caribou Resources Corp.	32,484	9,569	(3,571)	(2,278)	(0.04)	(0.19)	16,024
Mission Oil & Gas Inc. [3]	30,458	-	3,554	-	0.18	-	16,345
Peregrine Energy Ltd. [4, 1]	29,570	11,298	(2,069)	3,692	(0.07)	0.19	12,057
West Energy Ltd. [5]	29,464	18,475	3,357	(817)	0.07	(0.02)	16,050
Cinch Energy Corp. [1]	28,283	8,507	3,364	99	0.08	-	15,042
Great Plains Exploration Inc. [6]	28,167	9,370	3,215	377	0.13	0.04	15,993
Titan Exploration Ltd.	27,798	3,345	3,533	(167)	0.19	(0.01)	12,781
Accrete Energy Inc. [7, 1]	25,845	1,561	3,285	(773)	0.23	(0.07)	13,536
RSX Energy Inc. [23]	23,783	13,062	4,306	835	0.10	0.02	13,987
Signal Energy Inc.	23,670	5,919	2,086	(1,068)	0.04	(0.04)	10,933
Diaz Resources Ltd.	23,523	17,720	4,416	1,544	0.07	0.03	12,134
Midnight Oil Exploration Ltd. [8]	22,989	977	1,669	15	0.06	-	11,967
Rock Energy Inc. [9]	22,873	2,179	1,510	413	0.10	0.05	11,433
Breaker Energy Ltd. [1]	22,860	101	3,361	(180)	0.18	(0.04)	12,223
Cordero Energy Inc. [10]	22,431	-	4,526	-	0.17	-	13,879
Masters Energy Inc.	22,216	11,680	3,611	428	0.25	0.03	12,440
Raven Energy Ltd.	22,095	13,534	4,024	1,374	0.12	0.05	14,459
Stylus Energy, Inc.	21,208	7,704	1,544	(761)	0.08	(0.07)	10,463
Canada Southern Petroleum Ltd.	20,371	11,513	3,558	3,279	0.25	0.23	12,483
Choice Resources Corp.	19,981	16,618	2,965	(1,156)	0.07	(0.10)	8,824
Capitol Energy Resources Ltd. [11]	19,803	1,151	9,000	(1,244)	0.23	(0.06)	8,283
Orleans Energy Ltd. [12]	19,415	2,856	19,465	77	1.29	0.01	11,719
Canex Energy Inc. [1]	18,757	4,535	3,302	889	0.14	0.05	9,003
Arsenal Energy Inc.	18,738	3,099	(1,100)	(127)	(0.04)	(0.01)	4,242
Grand Banks Energy Corporation	17,222	2,297	930	999	0.03	0.05	9,066
Wrangler West Energy Corp.	17,036	11,182	3,132	808	0.48	0.14	10,393
Rival Energy Ltd.	16,848	10,563	2,884	207	0.15	0.01	8,673
E4 Energy Inc. [13]	16,202	8,055	304	(1,956)	0.01	(0.09)	7,807
Winstar Resources Ltd.	15,822	7,865	(1,483)	(6,531)	(0.08)	(0.57)	7,281
Tanganyika Oil Company Ltd. [19, 24]	15,763	16,444	1,104	(2,409)	0.03	(0.06)	4,796
Bear Ridge Resources Ltd.	14,631	-	10,936	-	0.44	-	8,464
Fairquest Energy Limited [14]	14,068	-	1,097	-	0.04	-	7,597
PetroFalcon Corporation [24]	13,721	10,407	1,224	2,750	0.01	0.04	5,346
Bankers Petroleum [15]	13,709	3,483	(3,497)	(1,217)	(0.01)	(0.01)	(171)
Chamaelo Exploration Ltd. [16]	13,663	-	2,528	-	0.13	-	7,753
Mahalo Energy Ltd. [17]	13,385	-	(1,010)	(172)	(0.03)	(0.08)	6,564
C1 Energy Ltd. [1]	13,326	8,718	2,191	2,991	0.07	0.15	6,302
Twoco Petroleums Ltd.	13,221	5,652	3,025	842	0.23	0.08	9,197
Rockyview Energy Inc. [18]	13,195	-	2,095	-	0.24	-	7,453
Candax Energy Inc [20]	12,882	-	(1,502)	(449)	(0.02)	(4,490.00)	5,316
Connacher Oil and Gas Ltd. [1]	11,678	11,179	991	(2,976)	0.01	(0.06)	4,358
AltaCanada Energy Corp.	11,507	6,140	1,070	(443)	0.02	(0.01)	5,226
Alberta Clipper Energy Inc. [21]	11,189	-	1,459	-	0.05	-	6,752
Average	**1,277,268**	**1,125,617**	**184,903**	**161,989**	**0.61**	**0.41**	**405,094**

1 Royalties are net of ARTC.
2 ExAlta Energy Inc began public trading on May 10, 2005.
3 Commenced operations on January 7, 2005.
4 Formerly Tesoro Energy Corp. as of July 22, 2004.
5 West Energy Ltd. acquired Rio Alto Resources International Inc. on Sept 30, 2004. BOE per day include period from March 31 to December 31, 2004 from which the company acquired Rubicon Energy Corporation.
6 The Financial Statements of Great Plains Exploration Inc. present the historic financial position, results of operations and cash flows on a carve-out basis from Eurogas Corporation, as if Great Plains Exploration Inc. had operated as a stand-alone entity subject to Eurogas Corporation's control prior to June 11, 2004. Commencing on June 11, 2004, Great Plains Exploration Inc. holds the Canadian assets, with the earnings from June 11, 2004, being retained by Great Plains Exploration Inc.
7 Commenced operations April 5, 2004. Formed by Provident Energy Trust and Olympia Energy Inc.
8 2004 figures represent operations from November 29, 2004 to December 31, 2004.
9 Changed fiscal year-end from March 31 to December 31 in 2004.
10 Incorporated on March 30, 2005 and began operations on April 30, 2005.
11 2004 changed year end to December 31, financial statements reflect operations from June 30 2004 to December 31 2004.
12 Commenced operations on October 18, 2004. 2005 changed year end to December 31 from March 31.
13 Southpoint Resources Ltd. changed its name to E4 Energy Inc. on August 23, 2005.
14 Created June 1, 2005.
15 Revenues are net.
16 Incorporated on April 25, 2005, commenced operations on June 22, 2005.
17 Commenced operations on April 21, 2004, and went public on July 29, 2005.
18 Incorporated on April 12, 2005. Production is from June 21 to December 31, 2005.
19 Changed year end from May 31 to December 31. 2004 balances are from year ended May 31, 2005, and 2005 balances are from May 31, 2005 to December 31, 2005.
20 Date of formation June 4, 2004.

Cash Flow from Ops. (thousands) 2004	CFPS 2005	CFPS 2004	Capital Expenditures (thousands) 2005	Capital Expenditures (thousands) 2004	Total Assets (thousands) 2005	Total Assets (thousands) 2004	Market Capitalization (millions) 2005	Market Capitalization (millions) 2004
6,590	0.40	0.17	19,906	23,870	122,206	38,000	112	33
7,616	1.18	0.08	30,746	20,912	62,816	35,571	78	43
2,201	0.53	(0.13)	41,426	22,613	119,683	85,879	87	55
-	0.80	-	76,057	-	105,803	-	167	-
3,710	0.39	0.17	21,637	84,215	95,311	86,478	63	69
8,956	0.36	0.25	91,927	28,012	180,809	99,346	470	278
3,757	0.38	0.09	36,045	16,049	113,620	77,560	139	81
4,109	0.66	0.28	22,800	14,600	131,189	44,470	106	45
965	0.68	0.08	68,696	24,734	102,162	30,341	152	27
282	0.94	0.03	49,318	22,057	74,368	25,351	145	52
6,225	0.33	0.11	27,514	17,346	58,505	38,061	84	57
2,080	0.20	(0.13)	11,373	22,547	118,639	35,076	104	33
8,785	0.20	0.12	13,194	12,150	56,588	46,675	74	35
397	0.44	0.02	76,507	2,680	111,171	42,120	169	90
917	0.74	0.13	84,237	6,252	99,604	25,057	98	32
(121)	0.65	(0.03)	56,300	11,700	66,720	23,832	109	41
-	0.52	-	57,377	-	104,923	-	193	-
5,729	0.86	(0.02)	27,533	30,504	60,016	37,291	94	37
8,644	0.43	0.29	17,865	22,540	54,909	42,866	75	57
2,880	0.52	0.27	50,846	11,761	67,648	23,811	92	6
8,060	0.86	1.54	23,267	11,506	61,799	59,789	107	130
4,009	0.21	0.07	12,497	33,829	55,016	48,282	33	12
(246)	0.21	(0.05)	109,156	9,040	136,524	29,665	240	76
1,424	0.78	0.15	19,782	17,755	50,684	24,216	93	54
2,196	0.39	0.10	31,003	10,314	48,740	18,103	81	61
288	0.15	0.02	33,144	12,865	54,157	16,691	72	16
652	0.34	0.04	23,456	13,126	42,336	24,647	49	30
5,815	1.63	0.51	15,728	11,487	32,899	27,328	51	36
4,417	0.45	0.20	6,655	5,776	27,052	25,177	41	14
3,702	0.28	0.07	10,912	11,365	52,741	36,041	70	30
3,358	0.41	0.02	13,515	925	79,304	23,618	57	111
4,473	0.11	0.07	1,007	558	96,264	51,695	386	262
-	0.34	-	72,145	-	83,638	-	142	-
-	0.29	-	99,980	-	133,021	-	235	-
5,695	0.07	0.04	37,724	12,041	82,634	34,644	146	245
(512)	5.37	2.13	35,303	4,914	56,846	23,072	462	149
-	0.39	-	44,727	-	92,828	-	156	-
(171)	0.22	-	67,357	(29)	102,237	1,017	299	-
3,959	0.21	0.19	28,285	26,093	71,039	52,685	64	48
3,341	0.69	0.02	18,922	6,255	34,707	19,387	104	36
-	0.84	-	12,867	-	63,244	-	72	-
(449)	0.06	-	48,111	128	91,737	3,974	107	-
2,409	0.04	0.10	16,807	17,629	134,813	46,090	537	49
2,177	0.09	0.07	12,101	13,546	44,012	36,360	52	39
-	0.21	-	17,950	-	101,895	-	132	-
314,776	**1.65**	**0.95**	**401,194**	**369,858**	**1,945,246**	**1,747,455**	**2,959**	**2,756**

21 Commenced operations on June 3, 2005.
22 Financial statements are in U.S. GAAP.
23 Reserves are reported in Constant pricing as opposed to forecasted. Reserves Summary is prepared using net constant price.
24 All values have been converted to $CDN based on the yearly average rate for 2005 (1.2116) and 2004 (1.3015). The total assets have been translated using the End Of Month rate 2005 (1.1659) and 2004 (1.2036). All exchange rates are CDN$ per USD$.
25 BOE/Day excludes operation at Hilda Lake.
26 Completed an IPO on April 5, 2005.
27 Commenced operations on July 2, 2004.
28 Commenced operations on January 18, 2005.
29 Formerly Purcell Energy Ltd.
30 Revenue, Operating Cost, depletion include Drilling Services.
31 Due to a change in year end dates from October 31 to December 31, 2004 figures of 14 months are presented for 2004 figures.
32 Company went public on March 6, 2005.
33 Company was spunoff from Cequel Energy Ltd. on July 2, 2004.
34 As at 12/31/2004, Birchcliff had only a single share outstanding, therefore, comparative per share information was not presented.
35 Iteration Energy Ltd. (privately held) was acquired by Hawker Resources (publicly traded) March 21, 2005.
36 IPO was on February 28, 2005.
37 Commenced operations on October 1, 2004 when certain assets of Esprit Exploration Ltd. were transferred to ProspEx Resources Ltd. upon the completion of a Plan of Arrangement. The financial information stated includes the operating results for ProspEx Resources Ltd. from the effective date of the Arrangement, October 1, 2004 to December 31, 2004.
38 Operating Cost per BOE and Depletion Costs per BOE calculations based on segmented information.

Operational Statistics

Excluding companies with no production in 2004, the average total production among our Top 100 rose by 4% to 42,897 boe/d in 2005, compared to 41,353 boe/d in 2004. The average daily production in 2005 for all 100 companies is 37,925 boe/d. Among the senior producers (Top 10), production in 2005 averaged 347,975 boe/d compared to 345,769 boe/d in 2004, an increase of 1%. Production has remained relatively constant in 2005 with only minimal growth.

G&A costs per boe decreased during 2005 by 18% from $5.92 in 2004 to $4.87. Royalties increased on a per boe basis to $11.12 in 2005, compared to $8.23 in 2004. This 35% increase is consistent with the movement in average commodity prices during the year, with liquids and natural gas prices increasing throughout the year. Operating costs saw an increase in the year, rising 3% to $9.56/boe in 2005 compared to $9.32/boe in 2004, due to rising inflationary costs associated with the heated marked.

Average cash flow per boe increased 61% to $28.12/boe in 2005, compared to $17.51/boe in 2004. Average cash flow per boe among senior producers increased in 2005 at $28.88/boe in 2005 compared to $20.38/boe in 2004. Depletion per boe increased to $16.08 in 2005 compared to $13.56 in 2004, an increase of 19%. This increase is due to average capital expenditures increasing by 8.5%.

Among all companies, gas reserves as a percentage of total reserves averaged 56.40% in 2005, remaining consistent with 2004, indicating a slight weighting towards this commodity. Integrated and senior producers, at 23%, show a reduced weighting in natural gas compared to their junior counterparts. However, the wide dispersion in leverage levels between companies indicates the varying attitude towards the commodities.

The senior producers are more active internationally in comparison to the intermediate and junior producers with an average of 25% versus 12.4% of their production outside North America.

EXPLORATION & PRODUCTION OPERATION STATISTICS

COMPANY	Oil & Liquid Production bbls/d 2005	NG Production mmcf/d 2005	Total Production boe/d 2005	Total Production boe/d 2004	Liquids Price per bbl 2005	NG Price per mcf 2005	Proved Reserves (mBOE) 2005	Proved Reserves (mBOE) 2004
Imperial Oil Limited[22, 38]	231,000	514.0	358,000.0	356,833.0	61.83	9.00	1,625,500.0	1,715,666.7
Petro-Canada[38]	204,500	634.0	310,166.7	326,400.0	60.79	8.16	1,023,166.7	999,000.0
EnCana Corporation[23, 24, 38]	227,065	3,227.0	764,898.3	762,049.7	36.17	7.46	3,084,600.0	2,607,233.3
Shell Canada Limited[38]	134,100	413.0	228,700.0	194,933.3	55.20	8.23	1,025,500.0	883,500.0
Husky Energy Inc.[38]	201,700	680.0	315,033.3	324,966.7	42.75	7.96	860,166.7	790,500.0
Suncor Energy Inc.[38]	174,500	190.0	206,166.7	263,333.3	53.82	8.59	2,709,833.3	1,455,333.3
Talisman Energy Inc.[38]	250,000	1,319.0	469,833.3	438,233.3	62.78	8.30	1,639,000.0	1,206,650.0
Canadian Natural Resources Ltd.	313,168	1,439.0	552,960.0	513,835.0	46.86	8.57	5,065,666.7	1,514,333.3
Nexen Inc. [38]	197,800	263.0	242,000.0	250,000.0	58.98	8.89	641,000.0	692,333.3
Western Oil Sands Inc.	31,994	-	31,994.0	27,108.0	49.91	-	179,000.0	183,000.0
Compton Petroleum Corporation	7,646	131.0	29,424.0	26,876.0	56.04	8.42	102,131.0	77,112.2
Paramount Resources Ltd. [1]	4,452	122.6	24,888.0	36,150.0	57.00	8.45	23,836.7	59,182.3
Real Resources Inc.	5,152	31.5	10,393.8	7,372.7	58.85	9.06	22,331.8	17,940.5
Pan-Ocean Energy Corporation Ltd. [24]	9,398	-	9,398.0	8,499.0	52.48	-	25,378.0	21,232.0
Duvernay Oil Corp.	2,229	49.4	10,469.3	6,135.8	55.73	8.93	31,895.0	18,964.5
NuVista Energy Ltd.	2,281	40.5	9,024.0	5,550.0	43.85	9.02	16,530.0	9,065.8
BlackRock Ventures Inc.[25]	8,994	-	8,560.0	5,308.0	25.77	-	111,078.3	17,341.0
Rider Resources Ltd.[1]	1,560	32.9	7,042.8	3,303.2	60.19	9.84	10,129.0	8,535.3
Highpine Oil & Gas Limited[1, 26]	3,984	13.8	6,287.8	2,648.5	67.16	9.84	11,919.2	6,435.0
Galleon Energy Inc.[1]	2,488	24.3	6,538.3	1,580.8	57.23	8.95	16,332.2	4,829.0
Transglobe Energy Corporation[24]	4,344	3.9	4,990.7	3,864.8	56.22	8.08	4,952.5	4,627.8
Niko Resources Ltd.	57	61.0	10,303.0	6,979.0	52.02	4.87	225.9	57,537.0
Centurion Energy International Inc.	4,140	112.3	22,862.7	11,475.0	49.44	3.34	20,638.3	14,621.7
Celtic Exploration Ltd.	2,524	11.4	4,423.3	3,608.3	62.02	9.60	8,852.2	5,942.3
Cyries Energy Inc.[27]	993	19.9	4,310.5	1,395.7	62.22	10.17	11,391.0	3,375.7
Kereco Energy Ltd.[28]	2,031	12.6	4,133.0	-	69.15	9.53	12,598.3	-
Crew Energy Inc.[1]	802	20.5	4,220.5	2,443.7	60.65	9.32	7,610.7	5,347.2
Pebercan Inc.[24, 30]	6,095	-	6,095.0	5,347.0	29.87	-	13,000.0	10,800.0
Clear Energy Inc.[1]	1,260	17.5	4,178.7	3,153.8	49.35	9.13	4,931.3	4,784.7
Delphi Energy Corporation	913	19.8	4,221.0	1,706.3	47.55	9.37	8,190.8	5,474.2
Kick Energy Corp.	1,900	8.0	3,230.3	2,585.8	67.03	9.59	3,799.2	3,276.3
Point North Energy Ltd. (Formerly Purcell Energy Ltd.) [29]	1,040	16.8	3,846.7	4,677.7	56.37	8.21	300.2	8,284.7
Endev Energy Inc. [1]	685	18.6	3,778.0	3,500.0	55.38	8.51	6,499.2	5,218.5
Storm Exploration Inc.[31]	664	16.0	3,324.0	1,366.3	66.53	9.16	5,519.0	4,347.3
Prairie Schooner Petroleum Ltd.[32]	276	19.2	3,478.8	1,284.7	57.76	9.23	11,083.2	4,865.7
Atlas Energy Ltd.	1,272	16.6	4,039.2	3,595.5	40.61	8.21	8,591.3	5,317.7
ProEx Energy Ltd.[1, 33]	351	16.9	3,161.7	1,160.7	65.57	9.70	8,832.2	3,746.3
Birchcliff Energy Ltd.[34]	560	13.4	2,793.0	-	70.70	10.67	10,825.7	INA
Iteration Energy Ltd.[35]	251	19.9	3,561.0	5,577.8	57.28	8.43	3,541.7	4,959.3
Petrobank Energy and Resources Ltd.	1,483	11.8	3,451.3	5,790.3	55.86	8.09	14,880.8	9,191.2
Gentry Resources Ltd.	1,330	11.7	3,279.8	2,121.2	52.71	9.15	5,958.0	5,077.3
Find Energy Ltd.	1,409	11.0	3,246.2	2,337.8	51.33	9.10	7,967.0	5,123.2
Bow Valley Energy Ltd.	1,091	12.8	3,226.3	2,643.5	60.26	8.34	6,275.2	3,487.4
Canadian Superior Energy Inc.	618	12.1	2,631.8	2,564.2	57.96	9.40	3,958.7	3,654.3
Blue Mountain Energy Ltd. [1]	834	10.7	2,613.2	2,280.8	50.12	9.28	2,427.3	2,933.0
Innova Exploration Ltd.	982	8.6	2,410.8	1,429.3	58.86	9.43	3,972.2	1,660.1
Anderson Energy Ltd.	228	12.2	2,256.3	952.0	55.92	9.42	7,842.7	1,865.8
Grey Wolf Exploration Inc.[36]	521	10.0	2,182.5	1,635.8	61.30	8.74	6,874.7	2,719.7
Grand Petroleum Inc.[1]	1,088	4.3	1,808.5	896.3	53.70	10.26	2,272.3	1,079.5
Berens Energy Ltd.[1]	193	10.5	1,934.8	1,282.5	39.13	8.80	1,320.7	1,283.5
Burmis Energy Inc.	699	6.5	1,785.3	986.3	58.92	8.91	2,330.8	1,785.2
Ivanhoe Energy Inc.[24]	INA	INA	1,739.0	1,376.0	INA	INA	2,404.2	2,723.2
ProspEx Resources Ltd.[1, 37]	96	11.1	1,943.8	1,997.7	55.60	8.29	3,975.4	2,782.9
Rally Energy Corp.[1]	2,533	0.3	2,579.0	1,978.0	36.87	7.87	14,762.5	3,238.2
ExAlta Energy Inc[2]	447	8.1	1,801.0	1,204.5	48.65	9.13	3,072.0	1,798.7

Gas Leverage on Reserves 2005	Gas Leverage on Reserves 2004	% of Int'l Production 2005 [d]	Op. Costs per boe 2005 [c]	Op. Costs per boe 2004 [c]	G&A Costs per boe 2005 [b]	G&A Costs per boe 2004 [b]	Royalties per boe 2005	Royalties per boe 2004	Depletion Costs per boe 2005 [a]	Depletion Costs per boe 2004 [a]	Cash Flow per boe 2005	Cash Flow per boe 2004
7.8%	8.5%	0%	15.11	12.56	0.31	0.08	5.36	4.08	4.98	4.85	27.22	24.58
28.4%	32.5%	38%	INA	INA	INA	INA	INA	INA	8.88	8.19	33.45	28.75
63.7%	66.9%	31%	4.84	3.68	1.16	0.92	INA	INA	9.63	8.19	32.22	23.30
19.3%	23.4%	0%	INA	INA	INA	INA	6.67	5.12	7.65	5.48	41.25	29.92
34.3%	45.7%	8%	INA	INA	1.73	1.48	7.29	5.96	9.95	9.06	32.56	18.18
2.8%	5.1%	0%	INA	INA	INA	INA	7.37	5.52	8.52	6.69	32.90	20.94
52.2%	56.4%	77%	8.39	7.36	1.17	1.14	9.34	7.03	10.88	10.31	27.24	18.23
9.4%	29.6%	29%	9.58	8.80	2.12	1.11	6.77	5.37	10.31	9.70	24.87	20.05
11.4%	12.5%	66%	5.37	3.76	3.81	1.35	17.78	14.11	10.78	6.48	26.51	18.96
-	-	0%	10.83	7.85	0.49	0.11	0.17	0.11	2.22	1.65	10.56	0.85
73.4%	77.6%	0%	7.23	6.53	2.31	1.83	12.33	9.54	9.99	8.60	25.84	18.09
80.2%	80.1%	INA	11.40	10.70	9.48	5.04	10.04	7.94	19.75	14.48	27.80	22.31
51.8%	54.8%	0%	8.01	8.12	2.32	2.13	10.90	8.57	15.45	11.22	35.16	20.90
-	-	100%	10.93	10.65	4.09	4.02	12.01	6.56	7.93	6.83	22.22	12.97
87.4%	86.4%	0%	5.60	5.37	1.37	2.37	10.85	8.04	15.73	12.12	35.89	26.64
76.2%	71.2%	0%	5.99	4.94	0.55	0.41	12.25	8.72	12.27	9.71	31.84	24.55
0.4%	1.8%	0%	9.29	8.87	0.71	0.83	1.97	2.06	6.06	5.72	15.65	12.09
92.6%	74.9%	0%	7.78	8.90	2.00	2.65	13.01	8.97	10.35	11.26	36.67	21.74
35.3%	37.2%	0%	8.29	7.18	3.13	3.22	16.99	10.46	23.48	15.40	32.48	20.45
46.7%	85.5%	0%	8.13	7.41	2.06	3.79	12.49	7.90	17.30	15.05	32.71	17.67
30.6%	30.7%	95%	6.82	6.52	2.99	2.47	20.91	16.48	11.30	9.54	25.32	15.98
23.0%	99.6%	100%	2.26	1.11	0.96	1.33	4.40	6.01	9.64	7.12	23.42	17.43
77.3%	69.1%	100%	2.01	3.77	0.82	3.85	INA	INA	4.03	9.72	7.87	28.97
42.6%	39.0%	0%	10.23	8.84	1.47	1.48	10.98	8.17	17.88	14.80	35.28	27.54
73.7%	70.4%	0%	9.31	8.55	1.91	3.75	15.09	9.08	15.15	11.92	32.33	23.36
33.6%	0.0%	0%	9.68	-	1.38	-	14.12	-	13.11	-	33.37	0.00
84.7%	79.5%	0%	5.65	5.13	1.64	1.79	11.42	9.48	12.96	10.78	38.61	26.91
-	-	100%	5.81	6.23	1.95	1.54	INA	INA	14.22	11.34	28.84	19.51
69.3%	69.1%	0%	11.39	6.41	2.39	2.39	10.77	9.58	22.54	16.72	28.56	21.44
80.9%	71.2%	0%	11.64	11.35	2.40	3.35	10.60	4.26	17.59	14.42	25.70	19.17
46.7%	48.8%	0%	8.29	7.95	2.32	1.60	17.46	12.06	15.64	13.75	33.92	25.61
72.3%	68.7%	0%	15.73	12.62	5.51	1.64	10.22	7.02	22.26	15.15	17.56	14.08
83.2%	80.1%	0%	7.74	8.01	2.48	3.29	8.73	7.87	19.94	19.96	32.08	21.67
85.0%	85.2%	0%	9.56	8.68	1.87	3.36	14.60	13.11	13.47	11.17	31.29	20.51
87.5%	98.0%	0%	7.26	8.34	1.65	2.96	13.05	6.88	15.34	9.43	32.78	17.79
49.3%	60.5%	0%	9.99	9.43	3.12	2.78	11.30	7.22	23.21	18.53	22.06	18.86
90.4%	84.8%	0%	8.81	9.17	1.63	2.58	17.45	11.23	9.89	9.36	31.23	22.45
66.6%	INA	0%	10.02	-	6.06	-	15.26	-	19.81	-	35.48	-
94.0%	93.5%	0%	7.96	6.72	3.78	3.67	10.25	9.35	23.07	21.24	30.61	19.41
35.6%	39.7%	69%	7.76	7.96	6.07	3.38	8.62	6.33	13.00	15.79	23.14	11.07
55.2%	52.4%	0%	9.93	9.37	3.15	4.09	9.92	8.09	16.33	11.65	29.39	17.29
69.7%	41.0%	0%	7.77	9.78	2.43	3.37	12.70	8.94	13.84	13.15	31.72	18.81
42.2%	77.3%	74%	13.32	14.23	5.28	5.75	8.34	5.11	17.53	18.43	27.21	15.25
79.3%	77.0%	0%	8.24	8.30	11.80	9.68	10.11	6.20	24.50	23.69	31.57	21.62
67.1%	69.0%	0%	12.73	9.38	3.45	2.37	11.08	8.10	24.09	16.76	26.45	20.19
51.6%	47.9%	0%	6.89	6.40	5.30	6.93	12.07	11.10	25.70	18.29	33.91	19.55
90.2%	95.8%	0%	9.08	7.85	6.63	8.42	12.35	8.65	28.62	24.37	30.53	17.89
79.7%	79.6%	0%	5.61	7.79	4.77	4.08	9.88	6.52	14.11	12.91	33.77	21.26
29.8%	16.5%	0%	14.77	16.35	2.84	4.38	10.63	5.17	22.61	15.47	28.21	16.66
86.6%	85.0%	0%	8.96	10.08	4.03	4.66	12.07	7.20	26.25	19.57	25.89	16.24
68.6%	61.0%	0%	8.02	6.76	2.55	3.47	13.82	9.90	15.19	13.35	30.76	22.66
9.7%	14.5%	0%	14.51	13.14	26.97	28.70	INA	INA	27.57	19.39	17.44	12.13
91.2%	96.7%	0%	5.78	5.87	4.52	5.43	7.93	7.55	14.27	8.92	33.75	23.80
49.2%	8.2%	96%	7.14	5.72	6.38	5.96	12.89	8.00	9.17	9.11	12.62	11.47
49.4%	60.6%	0%	4.91	4.29	3.10	2.81	13.51	9.77	18.28	15.59	30.57	22.68

EXPLORATION & PRODUCTION OPERATION STATISTICS

COMPANY	Oil & Liquid Production bbls/d 2005	NG Production mmcf/d 2005	Total Production boe/d 2005	Total Production boe/d 2004	Liquids Price per bbl 2005	NG Price per mcf 2005	Proved Reserves (mBOE) 2005	Proved Reserves (mBOE) 2004
Geocan Energy Inc.	1,816	2.2	2,188.3	1,464.8	37.30	10.21	4,320.8	2,203.0
Hawk Energy Corporation	602	6.6	1,706.7	1,101.3	56.21	8.47	3,654.2	3,215.8
Caribou Resources Corp.	698	4.9	1,506.3	586.3	63.04	9.28	2,048.6	1,945.7
Mission Oil & Gas Inc. [3]	1,095	2.1	1,438.8	-	59.32	8.96	4,843.7	-
Peregrine Energy Ltd. [4, 1]	825	4.2	1,518.2	706.7	56.09	8.36	2,823.7	3,423.7
West Energy Ltd. [5]	1,015	1.4	1,256.2	1,242.3	64.15	9.54	2,979.2	2,995.8
Cinch Energy Corp. [1]	217	6.5	1,296.7	525.0	59.83	9.59	2,425.2	2,001.7
Great Plains Exploration Inc. [6]	378	5.3	1,259.8	605.2	70.94	9.53	2,902.7	1,511.0
Titan Exploration Ltd.	1,063	2.2	1,423.5	471.7	52.94	9.18	4,562.2	1,840.7
Accrete Energy Inc. [7, 1]	448	5.0	1,275.7	192.2	47.94	9.87	4,348.3	1,405.2
RSX Energy Inc. [23]	692	2.2	1,060.2	768.2	63.79	9.52	2,245.8	1,685.0
Signal Energy Inc.	245	5.6	1,175.8	380.0	61.15	8.93	3,653.0	855.3
Diaz Resources Ltd.	161	6.3	1,211.8	1,174.8	62.13	8.64	2,426.3	2,386.2
Midnight Oil Exploration Ltd. [8]	326	4.7	1,103.7	723.5	62.35	9.07	2,654.8	1,224.0
Rock Energy Inc. [9]	376	4.5	1,122.0	240.9	44.99	10.22	3,064.7	614.8
Breaker Energy Ltd. [1]	383	3.8	1,024.0	INA	66.19	9.67	2,284.2	231.0
Cordero Energy Inc. [10]	8	9.4	1,573.5	-	69.11	9.69	6,165.7	-
Masters Energy Inc.	708	3.3	1,254.0	849.3	44.98	8.87	2,601.5	1,886.8
Raven Energy Ltd.	309	4.7	1,095.0	864.5	61.78	8.80	2,150.5	1,351.8
Stylus Energy, Inc.	124	5.6	1,055.5	543.0	63.71	8.93	1,807.8	492.0
Canada Southern Petroleum Ltd.	27	6.5	1,103.7	1,205.5	55.17	8.44	1,392.2	1,023.8
Choice Resources Corp.	48	7.7	1,331.3	1,205.5	54.63	6.72	4,249.7	3,772.7
Capitol Energy Resources Ltd. [11]	835	1.0	1,004.2	144.0	53.79	9.19	7,149.2	1,096.2
Orleans Energy Ltd. [12]	594	3.3	1,137.7	559.0	63.70	10.04	1,929.2	816.0
Canex Energy Inc. [1]	489	2.0	824.5	268.7	63.26	9.74	2,387.5	1,410.5
Arsenal Energy Inc.	1,175	0.5	1,258.3	176.7	51.27	7.28	2,910.8	1,928.7
Grand Banks Energy Corporation	258	3.8	898.0	152.0	56.63	8.50	645.2	541.2
Wrangler West Energy Corp.	381	3.0	884.7	802.7	49.77	9.17	1,622.8	1,034.3
Rival Energy Ltd.	358	2.9	843.3	711.2	57.67	8.73	1,276.0	1,118.7
E4 Energy Inc. [13]	319	2.5	729.8	482.7	64.77	9.57	932.1	768.2
Winstar Resources Ltd.	386	2.5	808.3	494.0	59.90	7.85	2,999.0	756.3
Tanganyika Oil Company Ltd. [19, 24]	1,434	-	1,434.0	1,129.0	42.43	-	16,497.0	12,804.0
Bear Ridge Resources Ltd.	254	2.4	646.5	-	67.63	9.74	5,664.7	-
Fairquest Energy Limited [14]	127	5.5	1,050.7	-	65.86	10.36	2,566.8	-
PetroFalcon Corporation [24]	868	0.2	899.7	852.0	35.46	1.33	33,518.7	30,745.5
Bankers Petroleum [15]	1,687	-	1,687.0	1,066.0	22.52	-	37,756.0	32,325.0
Chamaelo Exploration Ltd. [16]	375	4.0	1,048.3	-	69.09	10.75	2,719.3	-
Mahalo Energy Ltd. [17]	-	3.6	602.7	-	-	10.14	3,038.5	13.3
C1 Energy Ltd. [1]	309	1.9	627.0	500.5	65.42	8.52	1,405.5	1,089.8
Twoco Petroleums Ltd.	2	4.2	698.2	390.2	57.58	8.64	1,436.2	1,042.8
Rockyview Energy Inc. [18]	74	5.7	1,025.5	-	61.95	10.60	3,345.0	-
Candax Energy Inc 20	881	2.8	1,354.0	-	49.53	-	3,988.5	-
Connacher Oil and Gas Ltd. [1]	729	0.8	866.8	1,055.0	42.33	1.37	1,200.3	1,778.2
AltaCanada Energy Corp.	105	3.4	664.0	449.3	34.80	6.48	2,174.8	1,781.5
Alberta Clipper Energy Inc. [21]	328	3.6	924.7	-	70.11	11.13	1,881.2	-
Average	**21,237**	**106**	**37,925**	**41,823**	**55.30**	**8.77**	**186,753**	**140,203**

1 Royalties are net of ARTC.
2 ExAlta Energy Inc began public trading on May 10, 2005.
3 Commenced operations on January 7, 2005.
4 Formerly Tesoro Energy Corp. as of July 22, 2004.
5 West Energy Ltd. acquired Rio Alto Resources International Inc. on Sept 30, 2004. BOE per day include period from March 31 to December 31, 2004 from which the company acquired Rubicon Energy Corporation.
6 The Financial Statements of Great Plains Exploration Inc. present the historic financial position, results of operations and cash flows on a carve-out basis from Eurogas Corporation, as if Great Plains had operated as a stand-alone entity subject to Eurogas' control prior to June 11, 2004. Commencing on June 11, 2004, Great Plains Exploration Inc. holds the Canadian assets, with the earnings from June 11, 2004, being retained by Great Plains Exploration Inc.
7 Commenced operations April 5, 2004. Formed by Provident Energy Trust and Olympia Energy Inc.
8 2004 figures represent operations from November 29, 2004 to December 31, 2004.
9 Changed fiscal year-end from March 31 to December 31 in 2004.
10 Incorporated on March 30, 2005 and began operations on April 30, 2005.
11 2004 changed year end to December 31, financial statements reflect operations from June 30 2004 to December 31 2004.
12 Commenced operations on October 18, 2004. 2005 changed year end to December 31 from March 31.
13 Southpoint Resources Ltd. changed its name to E4 Energy Inc. on August 23, 2005.
14 Created June 1, 2005.
15 Revenues are net.
16 Incorporated on April 25, 2005, commenced operations on June 22, 2005.
17 Commenced operations on April 21, 2004, and went public on July 29, 2005.
18 Incorporated on April 12, 2005. Production is from June 21 to December 31, 2005.
19 Changed year end from May 31 to December 31. 2004 balances are from year ended May 31, 2005, and 2005 balances are from May 31, 2005 to December 31, 2005.
20 Date of formation June 4, 2004.
21 Commenced operations on June 3, 2005.
22 Financial statements are in U.S. GAAP.

Gas Leverage on Reserves 2005	Gas Leverage on Reserves 2004	% of Int'l Production 2005 (d)	Op. Costs per boe 2005 (c)	Op. Costs per boe 2004 (c)	G&A Costs per boe 2005 (b)	G&A Costs per boe 2004 (b)	Royalties per boe 2005	Royalties per boe 2004	Depletion Costs per boe 2005 (a)	Depletion Costs per boe 2004 (a)	Cash Flow per boe 2005	Cash Flow per boe 2004
26.4%	12.5%	0%	13.55	11.17	3.90	3.88	7.02	5.33	13.54	14.00	16.25	12.32
43.5%	53.7%	0%	9.55	8.31	2.91	3.14	12.15	9.38	9.58	7.71	27.13	18.96
77.0%	68.4%	0%	13.46	12.49	5.58	10.65	9.95	9.05	31.66	21.83	29.14	10.28
17.6%	-	0%	12.04	-	2.56	-	8.74	-	17.15	-	31.12	-
51.1%	51.0%	0%	15.07	15.10	5.97	6.43	8.27	7.42	21.74	17.46	21.76	14.38
19.3%	20.4%	0%	8.87	26.35	5.34	19.10	15.15	41.44	22.45	21.71	35.00	78.99
82.6%	83.5%	0%	7.59	7.23	5.81	7.62	15.23	11.48	19.88	16.77	31.78	19.64
66.5%	78.9%	0%	9.52	10.30	6.20	8.92	12.22	7.17	20.35	11.60	34.78	18.60
21.0%	14.5%	0%	13.79	6.88	7.36	5.15	9.65	4.04	12.61	5.77	24.60	5.60
67.4%	67.4%	0%	5.06	4.67	6.18	20.43	14.39	6.18	11.74	12.24	29.07	6.89
41.7%	38.6%	0%	8.38	9.11	4.78	5.80	11.14	9.18	20.95	17.62	36.14	22.20
64.9%	77.1%	0%	9.10	6.91	8.89	16.36	12.26	9.30	21.28	21.74	25.48	14.96
89.0%	90.7%	0%	7.26	8.54	4.56	3.59	11.45	8.09	15.44	14.30	27.43	20.48
58.0%	86.2%	0%	9.20	11.36	7.02	10.22	14.78	9.59	20.99	14.95	29.94	18.04
57.9%	38.7%	0%	11.59	6.32	5.55	17.45	12.28	7.07	20.24	5.29	27.92	13.90
71.1%	1.3%	0%	13.45	32.87	6.23	232.08	11.32	11.18	18.29	34.19	32.70	(79.55)
96.8%	-	0%	6.99	-	6.89	-	11.32	-	14.20	-	36.24	-
31.8%	31.8%	0%	9.11	9.18	4.48	5.10	10.26	7.66	14.48	14.41	27.18	18.48
67.6%	66.1%	0%	8.24	7.62	2.43	1.43	9.14	6.67	20.67	22.84	36.20	27.39
73.3%	98.8%	0%	13.16	10.74	7.37	7.54	7.46	6.11	20.80	17.80	27.16	14.53
95.0%	95.5%	0%	10.08	5.11	7.27	7.57	6.96	3.64	17.36	7.61	30.98	18.32
89.1%	86.1%	0%	11.97	12.49	4.25	3.55	6.56	8.18	9.07	7.48	18.16	9.11
12.4%	7.2%	0%	8.17	9.85	10.79	36.68	13.61	11.00	21.58	15.79	22.59	(9.36)
51.6%	42.0%	0%	9.13	10.52	4.29	5.01	12.73	10.75	17.84	19.47	37.62	25.22
31.1%	24.2%	0%	12.37	9.33	1.53	5.04	18.68	10.85	11.93	9.03	29.91	22.39
7.3%	2.1%	0%	15.14	17.69	4.87	13.68	9.44	11.37	9.42	7.85	9.23	4.47
9.6%	77.1%	0%	6.18	9.46	4.37	21.57	14.19	8.09	32.49	15.65	27.69	12.39
45.5%	64.8%	0%	8.86	7.57	4.36	4.31	8.43	7.68	16.18	14.90	32.18	19.82
55.4%	70.2%	0%	11.67	11.36	4.69	5.05	10.09	6.98	14.64	14.36	28.17	16.98
59.6%	52.4%	0%	12.59	10.21	12.65	10.48	10.32	3.70	27.62	34.16	29.30	21.01
34.9%	18.2%	82%	17.14	15.39	8.96	10.96	6.30	4.40	20.30	17.93	24.68	18.62
-	-	100%	26.99	23.14	4.55	1.60	-	-	7.94	8.57	15.70	10.85
72.5%	-	0%	8.92	-	7.67	-	11.39	-	25.40	-	35.86	-
84.1%	-	0%	9.40	-	8.25	-	14.87	-	21.87	-	33.96	-
37.5%	45.3%	100%	11.43	10.66	13.76	10.02	-	-	6.35	5.38	16.28	18.31
-	-	0%	13.46	5.20	7.73	5.15	2.46	0.35	3.27	0.24	(0.28)	(1.32)
62.9%	-	0%	11.82	-	6.02	-	13.48	-	14.92	-	38.05	-
100.0%	100.0%	0%	6.24	-	8.74	-	15.36	-	10.99	-	29.84	-
65.5%	51.6%	0%	14.20	10.37	10.91	7.32	10.39	11.13	17.65	24.80	27.58	21.67
99.3%	98.8%	0%	5.59	5.56	2.56	4.02	9.48	6.81	16.60	16.13	36.09	23.46
94.8%	-	0%	9.84	-	4.97	-	12.78	-	20.47	-	37.46	-
40.8%	-	100%	5.45	-	8.39	-	-	-	8.12	-	10.81	-
3.3%	16.8%	0%	7.73	9.78	8.86	5.42	8.16	5.55	18.32	17.85	13.77	6.26
88.1%	81.3%	0%	8.61	8.24	11.51	12.81	11.22	7.60	16.00	15.44	21.55	13.25
73.7%	-	0%	7.56	-	6.37	-	15.56	-	19.80	-	40.01	-
56.40%	**56.86%**	**13.79%**	**9.56**	**9.32**	**4.87**	**5.92**	**11.12**	**8.23**	**16.08**	**13.56**	**28.12**	**17.51**

23 Reserves are reported in Constant pricing as opposed to forecasted. Reserves Summary is prepared using net constant price.
24 All values have been converted to $CDN based on the yearly average rate for 2005 (1.2116) and 2004 (1.3015). The total assets have been translated using the End Of Month rate 2005 (1.1659) and 2004 (1.2036). All exchange rates are CDN$ per USD$.
25 BOE/Day excludes operation at Hilda Lake.
26 Completed an IPO on April 5, 2005.
27 Commenced operations on July 2, 2004.
28 Commenced operations on January 18, 2005.
29 Formerly Purcell Energy Ltd.
30 Revenue, Operating Cost, depletion include Drilling Services.
31 Due to a change in year end dates from October 31 to December 31, 2004 figures of 14 months are presented for 2004 figures.
32 Company went public on March 6, 2005.
33 Company was spunoff from Cequel Energy Ltd. on July 2, 2004.
34 As at 12/31/2004, Birchcliff had only a single share outstanding, therefore, comparative per share information was not presented.
35 Iteration Energy Ltd. (privately held) was acquired by Hawker Resources (publicly traded) March 21, 2005.
36 IPO was on February 28, 2005.
37 Commenced operations on October 1, 2004 when certain assets of Esprit Exploration Ltd. were transferred to ProspEx Resources Ltd. upon the completion of a Plan of Arrangement. The financial information stated includes the operating results for ProspEx Resources Ltd. from the effective date of the Arrangement, October 1, 2004 to December 31, 2004.
38 Operating Cost per BOE, G&A Cost per BOE and Depletion Costs per BOE calculations based on natural resources segmented information only.
(a) Includes depletion, asset retirement obligation, site restoration, and ceiling test writedowns.
(b) Includes capitalized G&A.
(c) Includes transportation costs.
(d) International production is defined as production outside North America.

Income Trusts

The market popularity of income trusts continued in 2005 with the pace of new trusts entering the sector increasing. There were nine new trusts added to the survey in 2005. In addition four trusts have been removed from the survey because they were acquired or merged with another trust[2]. The total number of trusts grew from 31 to 36. Total market capitalization of the trusts in our survey rose to $75.2 billion at year-end 2005 from $45.3 billion in the prior year, an increase of 66%.

For 2005, management fees per boe increased in 2005 to $1.12/boe compared to $0.67/boe in 2004. By the end of 2005, 29 of the 35 conventional oil and gas trusts had eliminated their management fees.

General and administrative ("G&A") costs averaged $2.70/boe in 2005 compared to $2.30/boe in 2004, an increase of 17.39%. G&A costs increased in 2005 due to a general increase in staffing needs related to growth in the industry, the increased costs of hiring and retention due to the competitive nature of the industry and an increase in reporting and regulatory costs.

The average cash flow per share ("CFPS") for conventional trusts has increased from $2.75 in 2004 to $3.72. This is mainly due to higher commodity prices in 2005 in comparison to 2004, with a 30.73% increase in natural gas prices per mcf and a 31.15% increase in liquids prices per bbl. This is offset by a higher royalty rate and operating cost per boe.

Distributable income averaged $147,950 ($115,049 - 2004) for conventional trusts, an increase of 29%. The average distributable income per share increased 10% from $1.85 in 2004 to $2.03 in 2005. Cash on Cash Yield averaged 8.87% in 2005 (9.53% - 2004), a decrease of 7% from 2004.

Trusts featured prominently in the M&A activity of 2005. Several companies including Paramount Resources Ltd., Progress Ltd., Thunder Energy Inc, Mustang Resources Inc., Forte Resources Inc, True Energy Inc, and Sequoia Oil and Gas Ltd. were withdrawn from the 2005 E&P results, having been converted into or acquired by income trusts during the year. This form of equity increases the focus on drawing value from existing properties rather than by exploration, leading to a lower risk return.

Income trusts compared to E&P companies

Average product prices for the conventional trusts were similar to those received by their E&P counterparts for both oil and gas in 2005. Average liquids prices for trusts were $55.77/bbl compared to $55.30/bbl for E&P companies. Natural gas prices received by trusts averaged $8.72/mcf versus $8.77/mcf for E&P companies.

Operating costs for conventional trusts were less than those for E&P companies, averaging $9.21/boe compared to $9.56/boe.

Conventional trusts showed comparable gas leverage on reserves with their E&P counterparts, with 53.44% compared to 56.40%.

2 Acclaim Energy Trust merged with Starpoint Energy Trust to form Canetic Energy Trust, Viking Energy Royalty Trust was acquired by Harvest Energy Trust, APF Energy Trust merged with Starpoint Energy Trust, TKE Energy Trust changed its name to True Energy Trust upon completion of a reorganization with True Energy Inc. and Vero Energy Inc.

INCOME TRUSTS FINANCIAL STATISTICS

COMPANY	Gross Revenues (thousands) 2005	Gross Revenues (thousands) 2004	Net Income/ (Loss) (thousands) 2005	Net Income/ (Loss) (thousands) 2004	Cash Flow from Ops. (thousands) 2005	Cash Flow from Ops. (thousands) 2004
Conventional Oil & Gas Trusts						
Penn West Energy Trust	1,919,000	1,521,300	577,200	271,800	934,600	793,100
Provident Energy Trust	1,470,696	1,199,056	96,926	21,225	311,188	185,246
Enerplus Resources Fund	1,440,649	1,014,385	432,041	258,316	794,410	539,969
ARC Energy Trust	1,160,955	897,626	356,935	241,690	634,630	444,801
Pengrowth Energy Trust	1,151,510	815,751	326,326	153,745	608,237	402,994
Bonavista Energy Trust	912,422	599,445	302,942	161,347	518,701	343,175
PrimeWest Energy Trust	745,300	522,000	207,500	105,400	414,100	266,800
Petrofund Energy Trust	745,084	468,369	210,668	74,359	398,003	236,245
Canetic Resources Trust [2]	699,457	471,070	65,848	31,263	360,475	233,473
Harvest Energy Trust	549,454	268,108	104,946	11,241	305,697	122,781
Vermilion Energy Trust	529,938	354,525	158,471	127,513	278,165	170,179
Baytex Energy Trust	513,174	342,873	79,876	16,764	227,465	136,012
Peyto Energy Trust	431,695	300,501	161,578	73,782	239,123	156,165
Paramount Energy Trust	424,741	239,957	61,870	(17,544)	242,708	142,818
Shiningbank Energy Income Fund	419,663	307,514	114,236	138,806	252,764	174,878
NAL Oil & Gas Trust	395,147	215,988	98,538	44,867	221,649	114,184
Trilogy Energy Trust [3]	386,965	337,896	102,516	25,543	210,756	166,502
Advantage Energy Income Fund	376,786	241,267	75,072	24,038	209,516	125,805
Progress Energy Trust [4]	369,768	214,689	88,924	44,231	205,977	110,460
Esprit Energy Trust [5]	287,834	184,649	74,452	28,099	154,254	86,777
Daylight Energy Trust [6]	276,183	17,377	64,060	1,045	144,872	6,974
Fairborne Energy Trust	226,648	125,604	43,553	13,702	125,243	66,399
Ketch Resources Trust [9]		105,433	48,447	17,772	115,422	62,771
Thunder Energy Trust [7,8]	195,778	116,409	(9,851)	16,768	110,391	65,772
Crescent Point Energy Trust	194,054	128,457	38,509	29,743	109,785	69,828
Focus Energy Trust	191,669	150,173	63,464	51,080	115,736	89,443
True Energy Trust [10]	161,453	67,948	13,890	8,960	87,137	33,945
Enterra Energy Trust	157,389	111,481	970	14,027	70,545	50,242
NAV Energy Trust	154,989	76,912	18,207	(10,758)	72,799	24,528
Zargon Energy Trust	151,212	119,400	35,369	20,632	84,974	63,749
Freehold Royalty Trust	136,914	78,491	58,346	36,892	118,034	64,313
Vault Energy Trust [1]	124,672	9,341	10,482	344	52,475	3,993
Sequoia Oil & Gas Trust [11]	116,447	43,654	5,503	(1,705)	54,909	20,714
Bonterra Energy Income Trust	75,837	53,585	33,468	20,366	44,316	29,606
Avenir Diversified Income Trust	50,655	17,688	22,939	4,015	56,143	10,580
Average - Conventional	**504,239**	**335,398**	**118,406**	**58,839**	**253,863**	**160,435**
Oil Sands Trusts						
Canadian Oil Sands Trust	2,006,700	1,396,900	831,000	509,200	1,004,800	575,800
Average - All Trusts	**547,167**	**364,884**	**138,201**	**71,349**	**274,722**	**171,973**

1 Trust was created by a plan of arrangement between Vault Energy Inc. and Chamaelo Energy Inc. June 22, 2005.

2 Canetic Resources Trust was formed in January 2006 through the merger of Acclaim Energy Trust and StarPoint Energy Trust; 2004 amounts related to Acclaim Energy Trust.

3 The finanical statements prior to April 1, 2005 were prepared on a carve-out basis from Paramount Resources Ltd. Commencing April 1, 2005, Trilogy holds the Trust assets.

4 The Trust was established on July 2, 2004. The consolidated financial statements for 2004 reflect the financial position, results of operations and cash flows as if the Trust had always carried on the business formerly carried on by Progress Ltd.

5 Converted to an income trust effective October 1, 2004.

6 Commenced operations October 21, 2004.

CFPS 2005	CFPS 2004	Market Cap (millions) 2004	Market Cap (millions) 2004	Distributable Income (millions) 2005	DIPS 2005	Cash-on-Cash Yield 2005
5.75	4.91	6,203	4,270	321,500	1.98	5.20%
1.95	1.63	2,369	1,617	230,714	1.45	11.54%
7.28	5.44	6,566	4,540	511,145	4.69	8.39%
3.37	2.43	5,274	3,326	377,000	2.00	7.56%
3.87	3.02	4,382	3,814	445,977	2.84	10.36%
5.37	4.28	3,059	2,048	270,827	2.81	7.36%
5.46	4.49	2,860	1,860	276,600	3.65	10.16%
3.84	2.68	2,401	1,553	166,721	1.61	7.85%
3.36	2.61	2,506	1,492	208,477	1.94	8.53%
6.57	4.90	1,970	959	164,172	3.53	9.48%
4.50	2.83	1,859	1,221	126,200	2.04	6.87%
3.38	2.17	1,226	850	114,221	1.70	9.58%
2.43	1.70	2,598	1,142	136,648	1.39	5.46%
3.24	2.64	1,829	1,041	205,000	2.73	12.33%
4.23	3.35	1,988	1,163	182,266	3.05	10.47%
3.17	2.20	1,338	719	142,050	2.03	11.23%
2.66	-	2,026	-	190,763	2.41	10.12%
3.70	3.07	1,297	1,093	177,366	3.13	13.97%
2.98	2.22	1,224	904	116,460	1.68	9.81%
2.71	2.17	893	498	97,337	1.71	12.72%
2.97	0.24	764	392	67,942	1.39	11.20%
2.65	1.65	784	593	37,126	0.79	4.66%
2.29	2.30	622	-	77,500	1.54	13.70%
2.47	2.98	528	-	38,746	0.87	7.22%
3.20	2.66	863	494	74,591	2.18	10.53%
3.18	2.66	944	718	73,677	2.02	7.86%
3.53	2.28	752	297	17,361	0.70	3.38%
2.39	2.23	699	577	66,195	2.24	11.70%
2.59	1.32	268	276	2,835	0.10	1.07%
5.31	3.79	603	444	37,440	2.34	7.37%
2.76	2.04	922	550	84,810	1.98	10.53%
2.21	0.57	374	163	29,708	1.25	10.98%
2.53	2.34	634	-	35,463	1.63	8.05%
2.70	2.08	390	375	38,949	2.38	10.07%
2.20	1.86	515	131	34,474	1.35	10.54%
3.51	**2.64**	**1,815**	**1,262**	**147,950**	**2.03**	**9.08%**
10.93	6.47	11,655	6,180	183,900	2.00	1.59%
3.72	**2.75**	**2,088**	**1,416**	**148,949**	**2.03**	**8.87%**

7 Formed on July 7, 2005 through the amalgamation of assets from Thunder Energy Inc., Mustang Resources Inc., and Forte Resources Inc.

8 Trust went public on July 12, 2005.

9 Ketch Resources Trust was formed on January 18, 2005 through a plan of arrangement between Ketch Resources Ltd. and Bear Creek Energy Ltd.

10 The consolidated financials statements for 2005 reflect the financial position, results of operations and cash flows as if the Trust had always carried on the business formerly carried on by True Energy Inc.

11 The Trust was established in March 16, 2005 pursuant to a plan of arrangement between Argo Energy Ltd. and Lightning Energy Ltd.

INCOME TRUSTS
OPERATING STATISTICS

COMPANY	Oil & Liquid Production bbls/d 2005	NG Production mmcf/d 2005	Total Production boe/d 2005	Total Production boe/d 2004	Liquids Price per bbl 2005	NG Price per mcf 2005	Proved Reserves (mBOE) 2005	Proved Reserves (mBOE) 2004	Gas Leverage on Reserves 2005
Conventional Oil & Gas Trusts									
Penn West Energy Trust	51,842	288	99,807	105,788	52.89	8.74	254,249	268,842	30.34%
Provident Energy Trust	20,933	77	33,782	31,085	49.39	8.43	89,707	86,315	24.57%
Enerplus Resources Fund	34,004	274	79,727	75,130	54.75	8.41	254,255	231,952	50.95%
ARC Energy Trust	27,287	174	56,254	56,869	59.47	8.96	602,554	566,972	81.24%
Pengrowth Energy Trust	32,515	161	59,358	53,702	53.40	8.76	142,957	144,179	38.66%
Bonavista Energy Trust	21,421	176	50,779	42,551	46.39	8.55	112,649	109,722	52.11%
PrimeWest Energy Trust	10,658	178	40,351	35,578	51.50	8.43	94,607	97,897	71.84%
Petrofund Energy Trust	20,647	98	36,991	31,429	60.55	9.02	102,651	93,682	38.51%
Canetic Resources Trust [2]	23,046	105	40,460	33,421	53.81	9.08	145,464	71,913	31.97%
Harvest Energy Trust	32,161	26	36,571	23,136	49.41	9.05	131,892	67,412	23.43%
Vermilion Energy Trust	13,767	68	25,165	22,989	64.79	8.28	70,535	57,872	37.52%
Baytex Energy Trust	25,107	60	35,177	34,022	39.90	8.22	87,322	73,036	19.72%
Peyto Energy Trust	4,436	107	22,220	18,689	55.48	8.78	89,070	71,943	84.66%
Paramount Energy Trust	-	168	28,067	19,867	-	8.30	26,568	24,455	100.00%
Shiningbank Energy Income Fund	5,349	93	20,876	19,933	55.40	9.13	42,518	37,395	77.67%
NAL Oil & Gas Trust	11,266	47	19,018	13,139	58.38	8.96	37,482	22,825	44.80%
Trilogy Energy Trust [3]	4,928	117	24,495	20,288	63.03	9.23	35,457	34,598	80.80%
Advantage Energy Income Fund	7,029	79	20,123	16,949	57.58	7.98	45,051	46,732	60.41%
Progress Energy Trust [4]	4,163	82	17,902	13,519	63.06	9.27	34,326	31,568	78.51%
Esprit Energy Trust [5]	3,115	70	14,765	12,225	58.64	8.67	38,138	27,953	78.97%
Daylight Energy Trust [6]	4,922	56	14,307	13,228	52.51	8.84	27,634	16,989	44.99%
Fairborne Energy Trust [12]	3,179	48	11,196	8,088	60.26	8.84	15,916	20,146	61.15%
Ketch Resources Trust [9]	2,426	55	11,671	7,129	57.01	9.08	21,838	13,512	78.54%
Thunder Energy Trust [7,8]	2,706	40	9,431	7,790	64.82	8.94	19,277	20,970	64.08%
Crescent Point Energy Trust	9,196	18	12,164	9,604	58.57	8.38	27,956	22,077	12.98%
Focus Energy Trust	2,542	45	9,963	9,782	56.88	7.92	24,994	24,757	77.12%
True Energy Trust [10]	2,958	34	8,672	5,049	40.64	9.41	15,057	6,015	66.75%
Enterra Energy Trust	5,453	14	7,741	6,957	58.47	8.40	11,136	6,320	51.97%
NAV Energy Trust	4,177	21	7,736	5,588	57.37	8.95	13,697	13,467	48.41%
Zargon Energy Trust	3,697	28	8,342	8,223	57.15	8.41	15,820	15,637	39.99%
Freehold Royalty Trust	4,833	17	7,637	5,588	46.93	8.55	20,412	14,678	36.94%
Vault Energy Trust [1]	2,278	21	5,716	942	64.89	9.43	17,480	6,087	46.30%
Sequoia Oil & Gas Trust [11]	1,562	26	5,828	2,916	63.83	8.47	11,196	7,619	69.16%
Bonterra Energy Income Trust	2,713	6	3,655	3,194	58.30	8.64	17,172	15,843	14.87%
Avenir Diversified Income Trust	1,616	9	3,198	1,153	50.88	8.62	5,709	2,744	50.31%
Average - Conventional	**11,998**	**82**	**25,404**	**22,158**	**55.77**	**8.72**	**77,221**	**67,832**	**53.44%**
Oil Sands Trusts									
Canadian Oil Sands Trust	75,994	-	75,994	84,575	70.91	-	890,000	924,000	-
Average - All Trusts	**13,826**	**82**	**26,809**	**23,892**	**56.21**	**8.72**	**99,798**	**91,615**	**53.44%**

1 The Trust was established as part of a Plan of Arrangement that became effective on July 2, 2004. The consolidated financial statements for 2004 reflect the financial position, results of operations and cash flows as if the Trust had always carried on the business formerly carried on by Progress Ltd.

2 The year ended December 31, 2004 reflects the results of operations and cash flows of TUSK Energy Inc. and it's subsidiaries for the period January 1 to November 1, 2004 and the results of operations and cash flows of the Trust and its subsidiaries for the period of November 2 to December 31, 2004. The comparative figures are the result of TUSK Energy Inc. and its subsidiaries. Due to the conversion into an energy trust, certain information included in the financial statements for prior periods may not be directly comparable.

3 Trust was formed in November 2004.

(a) Includes capitalized G&A.

(b) Includes depletion, asset retirement obligation, site restoration, and ceiling test writedowns.

(c) Includes transporation costs.

(d) Includes capitalized management fees.

(e) International production is defined as production outside North America.

Gas Leverage on Reserves 2004	% of International Production 2005[e]	Op. Costs per boe 2005[c]	Op. Costs per boe 2004[c]	Royalties per boe 2005	Royalties per boe 2004	G&A Costs per boe 2005[a]	G&A Costs per boe 2004[a]	Depletion Costs per boe 2005[b]	Depletion Costs per boe 2004[b]	Cash Flow per boe 2005	Cash Flow per boe 2004	Mgmt Fee per boe 2005[d]	Mgmt Fee per boe 2004[d]
32.25%	0%	9.61	8.44	9.74	7.67	0.63	0.42	12.01	10.67	25.65	20.54	-	-
27.56%	0%	14.44	12.92	8.95	7.86	3.37	2.39	15.67	15.62	25.23	16.33	-	-
55.95%	0%	8.37	8.08	10.21	8.40	1.78	1.54	13.27	11.87	27.30	19.69	-	-
85.61%	0%	7.63	7.42	11.46	8.51	2.08	1.42	12.88	11.55	30.91	21.43	-	-
39.46%	0%	10.43	8.57	9.87	8.16	1.40	1.24	13.81	13.16	28.07	20.56	0.74	0.66
50.33%	0%	8.43	6.68	10.62	8.07	0.47	0.39	10.47	9.66	28.00	22.06	0.09	0.08
71.57%	0%	8.43	7.48	11.73	9.20	2.12	1.92	15.80	15.35	28.11	20.49	-	-
32.09%	0%	11.09	9.52	11.54	8.71	1.44	1.35	15.02	13.31	29.47	20.59	-	-
34.49%	0%	9.16	8.73	11.90	8.52	1.46	1.39	16.13	14.93	24.41	19.10	-	-
14.15%	0%	9.53	8.70	8.46	6.63	2.59	2.64	13.41	12.17	22.90	14.54	-	-
42.91%	65%	8.88	7.80	9.54	7.54	1.49	1.80	13.23	11.57	30.28	20.28	-	-
20.90%	0%	10.36	8.65	6.38	5.30	1.25	1.22	13.02	12.91	17.72	10.95	-	-
81.28%	0%	2.23	1.75	13.17	10.39	0.08	0.12	7.18	5.98	29.48	22.89	-	-
100.00%	0%	7.58	6.70	8.66	5.74	1.25	1.31	14.61	15.01	23.69	19.69	-	-
74.57%	0%	7.66	7.43	11.56	8.76	1.34	0.92	18.68	16.29	33.16	24.03	-	-
32.70%	0%	8.44	6.84	12.56	10.53	2.29	1.98	17.80	14.92	31.93	23.81	1.43	1.45
79.24%	0%	10.00	9.27	13.86	9.12	13.23	12.62	14.26	14.26	31.43	22.48	-	-
63.07%	0%	7.89	6.26	10.11	7.71	1.19	1.01	18.39	16.00	28.52	20.33	0.50	0.38
78.31%	0%	7.62	8.18	14.46	10.80	1.24	1.34	14.09	11.96	31.52	22.38	-	-
86.33%	0%	8.75	7.84	12.55	9.98	2.12	1.95	14.10	10.26	28.62	19.45	-	-
76.99%	0%	10.75	11.15	9.53	9.10	3.52	2.96	15.39	17.69	27.74	17.33	-	-
67.39%	0%	9.46	7.95	11.74	8.96	1.90	2.01	16.96	14.16	30.65	22.43	-	-
74.76%	0%	8.39	6.91	12.91	7.98	1.34	0.89	16.98	12.05	27.09	24.12	-	-
81.71%	0%	10.48	8.27	9.85	7.36	2.94	1.50	21.80	12.88	32.07	23.13	-	-
14.02%	0%	9.12	7.68	11.27	8.18	1.84	1.61	15.49	12.01	24.72	19.92	-	-
76.46%	0%	6.84	5.99	11.98	9.54	1.86	1.55	15.07	12.46	31.82	25.05	-	-
75.10%	0%	7.82	6.92	12.89	9.41	2.05	2.31	19.41	7.93	27.52	18.42	-	-
14.60%	0%	11.55	9.25	12.77	9.66	3.67	2.09	29.05	14.17	24.96	19.78	-	-
47.22%	0%	11.21	11.58	11.66	9.37	4.48	4.04	18.92	17.15	25.78	12.03	-	-
42.25%	0%	7.89	7.21	12.25	9.32	1.99	1.45	12.70	9.47	27.91	21.18	-	-
28.67%	0%	2.34	2.87	1.29	1.46	1.58	1.71	20.52	12.69	42.34	31.52	2.68	0.80
46.34%	0%	12.90	15.35	10.96	7.58	3.09	4.24	19.16	15.00	25.15	19.92	-	-
64.47%	0%	9.13	7.48	12.41	8.59	4.62	6.30	23.22	17.43	25.81	19.46	-	-
16.08%	0%	15.14	14.10	6.39	4.56	1.81	1.10	7.29	6.79	33.22	25.40	0.28	-
60.49%	0%	12.64	7.97	7.79	6.81	13.70	7.94	24.38	17.70	48.09	25.12	-	-
53.98%	**2%**	**9.21**	**8.23**	**10.66**	**8.16**	**2.66**	**2.31**	**16.00**	**13.06**	**28.89**	**20.75**	**1.12**	**0.67**
-	0%	26.34	19.40	0.71	0.58	3.79	2.13	7.13	5.55	36.22	18.65	-	-
53.98%	**2%**	**9.68**	**8.54**	**10.38**	**7.95**	**2.70**	**2.30**	**15.76**	**12.85**	**29.10**	**20.70**	**1.12**	**0.67**

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